For Twelve Months Ended 2024

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
Utilizing Actual/Projected FERC Form 1 Data

**AEP Indiana Michigan Transmission Company**

| Line No. | | | Total | Allocator | | Transmission Amount |
|---|---|---|---|---|---|---|
| 1 | REVENUE REQUIREMENT (w/o incentives) | (ln 113) | | | | $483,364,277 |
| 2 | REVENUE CREDITS | (Worksheet E, ln 8) (Note A) | 1,678,879 | DA | 1.00000 | $ 1,678,879 |
| 3 | Facility Credits under PJM OATT Section 30.9 | Worksheet E, ln 9) (Note X) | | | | 0 |
| 4 | REVENUE REQUIREMENT For All Company Facilities | (ln 1 less ln 2 plus ln 3) | | | | $ 481,685,398 |

**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) | 50,211,730 | DA | 1.00000 | $ 50,211,730 |
| 6 | NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B) | | | | | |
| 7 | Annual Rate | ( (ln 1- ln 80)/(ln 33 ) x 100) ) | | | | 14.55% |
| 8 | Monthly Rate | (ln 7 / 12) | | | | 1.21% |
| 9 | NET PLANT CARRYING CHARGE ON LINE 7 , w/o depreciation or ROE incentives (Note B) | | | | | |
| 10 | Annual Rate | ( (ln 1- ln 80 - ln 83)/((ln 33) x 100) ) | | | | 11.42% |
| 11 | NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B) | | | | | |
| 12 | Annual Rate | ( ( (ln 1 - ln 80 - ln 83 - ln 108 - ln 109) /((ln 33) x 100) ) | | | | 2.68% |
| 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 63 Below | | | | 822,183 |
| 16 | Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b) | | | | | - |
| 17 | Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b) | | | | | - |
| 18 | Total 561 Internally Developed Costs | (Line 15 - Line 16 - Line 17) | | | | 822,183 |

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AEP Indiana Michigan Transmission Company

| Line No. | (1) RATE BASE CALCULATION | (2) Data Sources (See "General Notes") | (3) TO Total NOTE C | (4) Allocator | | (5) Total Transmission |
|---|---|---|---|---|---|---|
| | GROSS PLANT IN SERVICE | | | | | |
| 19 | Transmission | (Worksheet A ln 14.(d) & Ln 117) | 3,901,514,543 | DA | 1.00000 | 3,770,420,762 |
| 20 | Less: Transmission ARO (Enter Negative) | (Worksheet A ln 14.(e)) | - | TP | 0.96640 | - |
| 21 | General Plant | (Worksheet A ln 14.(h)) | 62,520,629 | W/S | 0.96640 | 60,419,889 |
| 22 | Less: General Plant ARO (Enter Negative) | (Worksheet A ln 14.(i)) | - | W/S | 0.96640 | - |
| 23 | Intangible Plant | (Worksheet A ln 14.(j)) | 38,282,728 | W/S | 0.96640 | 36,996,400 |
| 24 | TOTAL GROSS PLANT | (Sum of Lines: 19 to 23) | 4,002,317,900 | **GP=** | **0.966399** | 3,867,837,051 |
| | | | | **GTD=** | **0.96640** | |
| 25 | ACCUMULATED DEPRECIATION AND AMORTIZATION | | | | | |
| 26 | Transmission | (Worksheet A ln 28.(d) & Ln 43.(b)) | 463,087,577 | **DA** | 0.96710 | 447,850,244 |
| 27 | Less: Transmission ARO (Enter Negative) | (Worksheet A ln 28.(e)) | - | **TP** | 0.96640 | - |
| 28 | General Plant | (Worksheet A ln 28.(h)) | 6,325,268 | W/S | 0.96640 | 6,112,734 |
| 29 | Less: General Plant ARO (Enter Negative) | (Worksheet A ln 28.(i)) | - | W/S | 0.96640 | - |
| 30 | Intangible Plant | (Worksheet A ln 28.(j)) | 18,794,153 | W/S | 0.96640 | 18,162,655.22 |
| 31 | TOTAL ACCUMULATED DEPRECIATION | (Sum of Lines: 26 to 30) | 488,206,998 | | | 472,125,634 |
| 32 | NET PLANT IN SERVICE | | | | | |
| 33 | Transmission | (ln 19 + ln 20 - ln 26 - ln 27) | 3,438,426,967 | | | 3,322,570,518 |
| 34 | General Plant | (ln 21 + ln 22 - ln 28 - ln 29) | 56,195,361 | | | 54,307,155 |
| 35 | Intangible Plant | (ln 23 - ln 30) | 19,488,575 | | | 18,833,744 |
| 36 | TOTAL NET PLANT IN SERVICE | (Sum of Lines: 33 to 35) | 3,514,110,902 | **NP=** | **0.966307** | 3,395,711,418 |
| 37 | DEFERRED TAX ADJUSTMENTS TO RATE BASE | (Note D) | | | | |
| 38 | Account No. 281.1 (enter negative) | (Worksheet B, ln 2 & ln 5.E) | - | NA | | - |
| 39 | Account No. 282.1 (enter negative) | (Worksheet B, ln 7 & ln 10.E) | (393,448,329) | DA | | (325,383,392) |
| 40 | Account No. 283.1 (enter negative) | (Worksheet B, ln 12 & ln 15.E) | (47,771,937) | DA | | (47,771,937) |
| 41 | Account No. 190.1 | (Worksheet B, ln 17 & ln 20.E) | 17,559,315 | DA | | 40,398,691 |
| 42 | Account No. 255 (enter negative) | (Worksheet B, ln 24 & ln 25.E) | - | DA | | - |
| 43 | TOTAL ADJUSTMENTS | (sum lns 38 to 42) | (423,660,951) | | | (332,756,638) |
| 44 | PLANT HELD FOR FUTURE USE | (Worksheet A ln 44.(e)) ln 45.(e)) | - | DA | | - |
| 45 | REGULATORY ASSETS | (Worksheet A ln 51.(e)) | - | DA | | - |
| 46 | UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y | (Worksheet A ln 54.(e)) | - | W/S | 0.96640 | - |
| 47 | WORKING CAPITAL | (Note E) | | | | |
| 48 | Cash Working Capital | (1/8 * ln 66) | 3,696,187 | | | 3,571,992 |
| 49 | Transmission Materials & Supplies | (Worksheet C, ln 2.(F)) | 10 | TP | 0.96640 | 9 |
| 50 | A&G Materials & Supplies | (Worksheet C, ln 3.(F)) | - | W/S | 0.96640 | - |
| 51 | Stores Expense | (Worksheet C, ln 4.(F)) | - | GP | 0.96640 | - |
| 52 | Prepayments (Account 165) - Labor Allocated | (Worksheet C, ln 8.(G)) | - | W/S | 0.96640 | - |
| 53 | Prepayments (Account 165) - Gross Plant | (Worksheet C, ln 8.(F)) | 795,261 | GP | 0.96640 | 768,539 |
| 54 | Prepayments (Account 165) - Transmission Only | (Worksheet C, ln 8.(E)) | - | DA | 1.00000 | - |
| 55 | Prepayments (Account 165) - Unallocable | (Worksheet C, ln 8.(D)) | - | NA | 0.00000 | - |
| 56 | TOTAL WORKING CAPITAL | (sum lns 48 to 55) | 4,491,457 | | | 4,340,541 |
| 57 | IPP CONTRIBUTIONS FOR CONSTRUCTION | (Note F) (Worksheet D, ln 8.B) | - | DA | 1.00000 | - |
| 58 | RATE BASE (sum lns 36, 43, 44, 45, 46, 56, 57) | | 3,094,941,408 | | | 3,067,295,320 |

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

AEP Indiana Michigan Transmission Company

| Line No. | (1) EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION | (2) Data Sources (See "General Notes") | (3) TO Total | (4) Allocator | | (5) Total Transmission |
|---|---|---|---|---|---|---|
| | OPERATION & MAINTENANCE EXPENSE | | | | | |
| 59 | Customer Related Expense | 322 & 323.164,171,178.b | - | | | |
| 60 | Regional Marketing Expenses | 322.131.b | - | | | |
| 61 | Transmission | 321.112.b | 30,391,679 | | | |
| 62 | TOTAL O&M EXPENSES | (sum lns 59 to 61) | 30,391,679 | | | |
| 63 | Less: Total Account 561 | (Note G) (Worksheet F, ln 14.C) | 822,183 | | | |
| 64 | Less: Account 565 | (Note H) 321.96.b | | | | |
| 65 | Less: Regulatory Deferrals & Amortizations | (Note I) (Worksheet F, ln 4.C) | - | | | |
| 66 | Total O&M Allocable to Transmission | (lns 61 - 63 - 64 - 65) | 29,569,496 | TP | 0.96640 | 28,575,939 |
| 67 | Administrative and General | 323.197.b (Notes J & M) | 11,405,141 | | | |
| 68 | Less: Acct. 924, Property Insurance | 323.185.b | 905,484 | | | |
| 69 | Acct. 928, Reg. Com. Exp. | 323.189.b | 125,400 | | | |
| 70 | Acct. 930.1, Gen. Advert. Exp. | 323.191.b | 294 | | | |
| 71 | Acct. 930.2, Misc. Gen. Exp. | 323.192.b | 163,069 | | | |
| 72 | Balance of A & G | (ln 67 - sum ln 68 to ln 71) | 10,210,894 | W/S | 0.96640 | 9,867,800 |
| 73 | Plus: Acct. 924, Property Insurance | (ln 68) | 905,484 | GP(h) | 0.96640 | 875,059 |
| 74 | Acct. 928 - Transmission Specific | Worksheet F ln 21.(E) (Note L) | 116,709 | TP | 0.96640 | 112,788 |
| 75 | Acct 930.1 - Only safety related ads -Direct | Worksheet F ln 38.(E) (Note L) | - | TP | 0.96640 | - |
| 76 | Acct 930.2 - Misc Gen. Exp. - Trans | Worksheet F ln 44.(E) (Note L) | 787 | DA | 1.00000 | 787 |
| 77 | PBOP Adjustment | Worksheet O Ln 16.(B), (Note K & M) | (128,082) | W/S | 0.96640 | (123,779) |
| 78 | A & G Subtotal | (sum lns 72 to 77) | 11,105,792 | | | 10,732,656 |
| 79 | O & M EXPENSE SUBTOTAL | (ln 66 + ln 78) | 40,675,288 | | | 39,308,595 |
| 80 | Plus: Transmission Lease Payments To Affiliates in Acct 565 | (Company Records) (Note H) | - | DA | 1.00000 | - |
| 81 | TOTAL O & M EXPENSE | (ln 79 + ln 80) | 40,675,288 | | | 39,308,595 |
| 82 | DEPRECIATION AND AMORTIZATION EXPENSE | | | | | |
| 83 | Transmission | 336.7.f | 107,530,638 | TP | 0.96640 | 103,917,529 |
| 84 | General | 336.10.f | 1,661,299 | W/S | 0.96640 | 1,605,478 |
| 85 | Intangible | 336.1.f | 7,067,707 | W/S | 0.96640 | 6,830,227 |
| 86 | TOTAL DEPRECIATION AND AMORTIZATION | (Ln 83+84+85) | 116,259,644 | | | 112,353,234 |
| 87 | TAXES OTHER THAN INCOME | (Note N) | | | | |
| 88 | Labor Related | | | | | |
| 89 | Payroll | Worksheet H ln 23.(D) | - | W/S | 0.96640 | - |
| 90 | Plant Related | | | | | |
| 91 | Property | Worksheet H-p2 ln 3.(C) & ln 3.(G) | 41,281,241 | DA | 1.00000 | 41,281,241 |
| 92 | Gross Receipts/Sales & Use | Worksheet H ln 23.(F) | (214) | NA | 0.00000 | - |
| 93 | Other | Worksheet H ln 23.(E) | - | GP | 0.96640 | - |
| 94 | TOTAL OTHER TAXES | (sum lns 89 to 93) | 41,281,027 | | | 41,281,241 |
| 95 | INCOME TAXES | (Note O) | | | | |
| 96 | T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} = | | 24.94% | | | |
| 97 | EIT=(T/(1-T)) * (1-(WCLTD/WACC)) = | | 25.11% | | | |
| 98 | where WCLTD=(ln 136) and WACC = (ln 139) | | | | | |
| 99 | and FIT, SIT & p are as given in Note O. | | | | | |
| 100 | GRCF=1 / (1 - T) = (from ln 96) | | 1.3323 | | | |
| 101 | Amortized Investment Tax Credit (enter negative) | (FF1 p.114, ln 19.c) | - | | | |
| 102 | Excess Deferred Income Tax | (Note T) | 1,198,832 | NP(h) | 0.96631 | 1,158,440 |
| 103 | Tax Effect of Permanent and Flow-Through Differences | (Note T) | 852,356 | NP(h) | 0.96631 | 823,638 |
| 104 | Income Tax Calculation | (ln 97 * ln 109) | 58,274,766 | | | 57,754,217 |
| 105 | ITC adjustment | (ln 100 * ln 101) | - | NP(h) | 0.96631 | - |
| 106 | Excess Deferred Income Tax | (ln 100 * ln 102) | 1,597,171 | | | 1,543,358 |
| 107 | Tax Effect of Permanent and Flow-Through Differences | (ln 100 * ln 103) | 1,135,571 | | | 1,097,311 |
| 108 | TOTAL INCOME TAXES | (sum lns 104 to 107) | 61,007,508 | | | 60,394,886 |
| 109 | RETURN ON RATE BASE (Rate Base*WACC) | (ln 58 * ln 139) | 232,099,591 | | | 230,026,322 |
| 110 | INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) | (Worksheet D, ln 2.(B)) | - | DA | 1.00000 | - |
| 111 | (Gains) / Losses on Sales of Plant Held for Future Use | (Worksheet N, ln 4, Cols. ((F) & (H)) | - | | | - |
| 112 | Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use | (ln 111 * ln97) | - | | | - |
| 113 | TOTAL REVENUE REQUIREMENT (sum lns 81, 86, 94, 108, 109, 110, 111, 112) | | 491,323,058 | | | 483,364,277 |

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**SUPPORTING CALCULATIONS**

| ln No. | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | TRANSMISSION PLANT INCLUDED IN PJM TARIFF | | | | | | | | | |
| 114 | Total transmission plant | (ln 19) | | | | | | | | 3,901,514,543 |
| 115 | Less transmission plant excluded from PJM Tariff (Worksheet A, ln 42.(d)) (Note P) | | | | | | | | | 131,093,781 |
| 116 | Less transmission plant included in OATT Ancillary Services (Worksheet A, ln 42, Col. (b)) (Note Q) | | | | | | | | | - |
| 117 | Transmission plant included in PJM Tariff | (ln 114 - ln 115 - ln 116) | | | | | | | | 3,770,420,762 |
| 118 | Percent of transmission plant in PJM Tariff | (ln 117 / ln 114) | | | | | | | **TP=** | **0.96640** |
| | | | | Payroll Billed from | | | | | | |
| 119 | WAGES & SALARY ALLOCATOR (W/S) | (Note R) | Direct Payroll | AEP Service Corp. | Total | | | | | |
| 120 | *Line Deliberately Left Blank* | | | | | | | | | |
| 121 | Transmission | 354.21.b | - | 8,269,549 | 8,269,549 | TP | 0.96640 | | | 7,991,686 |
| 122 | Regional Market Expenses | 354.22.b | - | - | - | NA | 0.00000 | | | - |
| 123 | *Line Deliberately Left Blank* | | | | | | | | | |
| 124 | Other (Excludes A&G) | 354.24,25,26.b | - | - | - | NA | 0.00000 | | | - |
| 125 | Total | (sum lns 121, 122, & 124) | - | 8,269,549 | 8,269,549 | | | | | 7,991,686 |
| 126 | Transmission related amount | | | | | | | | **W/S=** | **0.96640** |
| | **Actual (Uncapped) Capital Structure** | | | | | | | | | |
| 127 | WEIGHTED AVERAGE COST OF CAPITAL (WACC) | | | | | | | | | $ |
| 128 | Long Term Interest | (Worksheet M, ln.36, col.(d)) | | | | | | | | **62,283,794** |
| 129 | Preferred Dividends | (Worksheet M, ln. 45, col.(d)) | | | | | | | | - |
| 130 | Development of Common Stock: | | | | | | | | | |
| 131 | Proprietary Capital | (Worksheet M, ln. 14, col.(b)) | | | | | | | | 1,860,828,391 |
| 132 | Less: Preferred Stock | (Worksheet M, ln. 14, col.(c)) | | | | | | | | - |
| 133 | Less: Account 216.1 | (Worksheet M, ln. 14, col.(d)) | | | | | | | | - |
| 134 | Less: Account 219 | (Worksheet M, ln. 14, col.(e)) | | | | | | | | - |
| 135 | Common Stock | (ln 131 - ln 132 - ln 133 - ln 134) | | | | | | | | 1,860,828,391 |
| | | | | | **Capital Structure Percentages** | | | Cost | | |
| | | | | | $ | % | Cap Limit | (Note S) | | Weighted |
| 136 | Long Term Debt (Note S) Worksheet M, ln 28, col. (g), ln 37, col. (d)) | | | | 1,537,873,077 | 45.25% | 45.25% | 4.05% | | 0.0183 |
| 137 | Preferred Stock (ln 132) | | | | - | 0.00% | 0.00% | 0.00% | | 0.0000 |
| 138 | Common Stock (ln 135) | | | | 1,860,828,391 | 54.75% | 54.75% | 10.35% | | 0.0567 |
| 139 | Total (Sum lns 136 to 138) | | | | 3,398,701,468 | 100.00% | | | **WACC=** | **0.074993** |
| 140 | Capital Structure Equity Limit (Note Z) | | 55.00% | | | | | | | |

AEPTCo subsidiaries in PJM
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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:<br>1) Forfeited Discounts.<br>2) Miscellaneous Service Revenues.<br>3) Rental revenues earned on assets included in the rate base.<br>4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.<br>5) Other electric revenues.<br>6) Revenues for grandfathered PTP contracts included in the load divisor.<br>7) If AEP Transmission Companies have any directly assigned transmission facilities, the revenue credits in the 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.<br>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 R 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 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 flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B.<br>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)-l(h)(6)(ii). Detailed balances for the projected or actual period, distinguished between utility and non-utility balances, will be filed and posted as part of the informational filing.<br>The company will not include the ADIT portion of deferred hedge gains and losses in rate base. |
| E | Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 66. It excludes:<br>1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancilliary Services Revenue, as shown on line 63.<br>2) Costs of Transmission of Electricity by Others, as described in Note H.<br>3) The impact of state regulatory deferrals and amortizations, as shown on line 65<br>4) All A&G Expenses, as shown on line 78. |
| F | Consistent with Paragraph 657 of Order 2003-A, the amount on line 57 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 110. |
| 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 66. To the extent such service is incurred to provide the PJM service at issue, e.g. lease payments to affiliates, such costs are added back on line 80 to determine the total O&M collected in the formula. The amounts on line80 is also excluded in the calculation of the FCR percentage calculated on lines 6 through 12.<br><br>The addbacks on line80 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.<br><br>The company records referenced on line80 is the AEP Indiana Michigan Transmission 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 | The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense. |
| L | Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E. |
| M | See note K above. Recoverable PBOP expense is based on a rate of $(0.058) cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing. |
| N | Includes only FICA, unemployment, highway, property and other assessments. 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.<br>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)<br>(ln 101) multiplied by (1/1-T) . If the applicable tax rates are zero enter 0.<br>Inputs Required: FIT = 21.00%<br>SIT= 4.99% (State Income Tax Rate or Composite SIT. Worksheet G))<br>p = 0.00% (percent of federal income tax deductible for state purposes) |
| P | 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-ochange rate and post-change rate each is in effect.<br>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. |
| O | Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P. |
| R | Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company. |
| S | Long Term Debt cost rate = long-term interest (ln 128) /average long term debt (ln 136). Preferred Stock cost rate = preferred dividends (ln 129) / preferred outstanding (ln 137).<br>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. All Transmission Companies other than AEP Appalachian Transmission Company utilize their own capital structure and costs as shown on Worksheet M. The calculations on Worksheet M will use the projected or actual 13 month average of long-term debt, common and preferred equity and calendar year long term debt interest expenses, preferred dividends and approved ROE. The long term debt balances and long term debt cost rate shall not include any amounts related to hedging activity. As shown on Worksheet Q, the AEP Appalachian Transmission Company capital structure and weighted cost of capital (WACC) shall be based on the weighted composite of the AEP East Operating Companies beginning and ending average capital structure, including the beginning and ending average outstanding LTD and PS issuances with the common equity portion in Docket No. ER08-1329, and (2) the weighted composite LTD and PS cost using projected or actual calendar year LTD expense and PS dividends of the AEP East Operating Companies excluding all interest rate hedging costs and/or gains, until the Company establishes its own actual capital structure. |
| T | 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. |
| U | 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 |
| V | The formula rate shall allocate property tax expense based on the as filed net plant cost allocation method detailed on Worksheet H. |
| W | AEP Transmission Companies will record depreciation expense using composites of the depreciation rates shown on Worksheet P which rates will not be changed absent a Section 205 or 206 filing at FERC to seek a change in depreciation rates. No other changes to the formula rate may be included in that filing. |
| 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 liabiliites 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. |

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet A Rate Base
AEP Indiana Michigan Transmission Company

| Line No | Month (a) (Note A) | Gross Plant In Service: Transmission (d) | Transmission ARO (e) | General (h) | General ARO (i) | Intangible (j) |
|---|---|---|---|---|---|---|
| | | FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58 | FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57 | FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99 | FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98 | FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5 |
| 1 | December Prior to Rate Year | 3,788,417,804 | - | 59,966,806 | - | 38,480,252 |
| 2 | January | 3,806,927,243 | - | 61,905,689 | - | 38,750,635 |
| 3 | February | 3,819,258,352 | - | 61,939,821 | - | 39,065,030 |
| 4 | March | 3,832,341,443 | - | 61,986,906 | - | 37,951,512 |
| 5 | April | 3,840,969,870 | - | 62,026,424 | - | 38,188,072 |
| 6 | May | 3,881,366,460 | - | 62,055,346 | - | 38,505,527 |
| 7 | June | 3,895,171,170 | - | 62,071,629 | - | 37,958,851 |
| 8 | July | 3,904,756,600 | - | 63,326,450 | - | 38,205,818 |
| 9 | August | 3,915,763,192 | - | 63,387,567 | - | 38,398,100 |
| 10 | September | 3,919,629,218 | - | 63,402,188 | - | 37,797,855 |
| 11 | October | 3,941,967,480 | - | 63,484,275 | - | 38,147,380 |
| 12 | November | 4,059,730,159 | - | 63,579,534 | - | 38,748,876 |
| 13 | December of Rate Year | 4,113,390,071 | - | 63,635,542 | - | 37,477,551 |
| 14 | Average of the 13 Monthly Balances | 3,901,514,543 | - | 62,520,629 | - | 38,282,728 |

| Line No | Month (a) (Note A) | Accumulated Depreciation: Transmission (d) | Transmission ARO (e) | General (h) | General ARO (i) | Intangible (j) |
|---|---|---|---|---|---|---|
| | | FF1, page 219, ln 25, Col. (b) | Company Records (Included in total in Column (d)) | FF1, page 219, ln 28, Col. (b) | Company Records (Included in total in Column (h)) | FF1, page 200, ln 21, Col. (b) |
| 15 | December Prior to Rate Year | 410,721,031 | - | 5,552,886 | - | 17,182,801 |
| 16 | January | 419,471,955 | - | 5,632,144 | - | 17,773,950 |
| 17 | February | 428,144,551 | - | 5,770,015 | - | 18,369,606 |
| 18 | March | 437,117,660 | - | 5,912,637 | - | 17,600,840 |
| 19 | April | 445,901,411 | - | 6,044,738 | - | 18,183,177 |
| 20 | May | 454,666,293 | - | 6,179,023 | - | 18,769,457 |
| 21 | June | 463,484,016 | - | 6,316,895 | - | 18,570,259 |
| 22 | July | 471,749,733 | - | 6,451,341 | - | 19,152,719 |
| 23 | August | 480,264,843 | - | 6,591,335 | - | 19,739,294 |
| 24 | September | 489,240,430 | - | 6,733,052 | - | 19,439,498 |
| 25 | October | 497,720,688 | - | 6,872,949 | - | 20,019,274 |
| 26 | November | 506,133,929 | - | 7,015,078 | - | 20,604,875 |
| 27 | December of Rate Year | 515,521,958 | - | 7,156,392 | - | 18,918,236 |
| 28 | Average of the 13 Monthly Balances | 463,087,577 | - | 6,325,268 | - | 18,794,153 |

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet A Rate Base
AEP Indiana Michigan Transmission Company

| Line No | Month (a) (Note A) | OATT Ancillary Services (GSU) Plant In Service (b) Company Records (included in total in column (d) of gross plant above) | OATT Ancillary Services (GSU) Accumulated Depreciation (c) Company Records (included in total in column (d) of accumulated depreciation above) | Excluded Plant - Plant In Service (d) Company Records (included in total in column (d) of line 14, gross plant above) | Excluded Plant - Accumulated Depreciation (e) Company Records (included in total in column (d) of line 28, accumulated depreciation, above) |
|---|---|---|---|---|---|
| 29 | December Prior to Rate Year | - | - | 129,322,767 | 13,639,943 |
| 30 | January | - | - | 129,316,513 | 13,901,028 |
| 31 | February | - | - | 130,252,382 | 14,153,805 |
| 32 | March | - | - | 131,421,754 | 14,416,804 |
| 33 | April | - | - | 131,447,699 | 14,681,534 |
| 34 | May | - | - | 131,438,552 | 14,952,565 |
| 35 | June | - | - | 131,486,222 | 15,223,583 |
| 36 | July | - | - | 131,570,181 | 15,515,727 |
| 37 | August | - | - | 131,587,441 | 15,782,851 |
| 38 | September | - | - | 131,568,384 | 16,051,469 |
| 39 | October | - | - | 131,588,629 | 16,320,047 |
| 40 | November | - | - | 131,596,965 | 16,588,667 |
| 41 | December of Rate Year | - | - | 131,621,664 | 16,857,300 |
| 42 | Average of the 13 Monthly Balances | - | - | 131,093,781 | 15,237,333 |

| | | |
|---|---|---|
| 43 | Transmission Accumulated Depreciation net of GSU | 447,850,244 |

| **Plant Held For Future Use** | | **Source of Data** | **Balance @ December 31, 2024** | **Balance @ December 31, 2023** | **Average Balance for 2024** |
|---|---|---|---|---|---|
| | **(a)** | **(b)** | **(c)** | **(d)** | **(e)** |
| 44 | **Plant Held For Future Use** | FF1, page 214, ln 47, Col. (d) | - | - | - |
| 45 | **Transmission Plant Held For Future Use (Included in total on line 4** | Company Records - Note 1 | - | - | - |

**Regulatory Assets and Liabilities Approved for Recovery In Ratebase**

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

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

**Unfunded Reserves Summary (Company Records)**

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet A Rate Base
AEP Indiana Michigan Transmission Company

| | Description | Account | | | |
|---|---|---|---|---|---|
| 52 | | | | | |
| 53a | | | | | - |
| 53b | | | | | - |
| 54 | Total | | - | - | - |

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet B Supporting ADIT and ITC Balances
AEP Indiana Michigan Transmission Company

| Line Number | (A) Description | (B) Source | (C) Balance @ December 31, 2024 | (D) Balance @ December 31, 2023 | (E) Average Balance for 2024 |
|---|---|---|---|---|---|
| 1 | **Account 281** | | | | |
| 2 | Year End Utility Deferrals | FF1, p. 272 - 273, ln 8, Col. (k) | - | - | - |
| 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) | - | - | - |
| 5 | Transmission Related Deferrals | Ln 2 - ln 3 - ln 4 | - | - | - |
| 6 | **Account 282** | | | | |
| 7 | Year End Utility Deferrals | FF1, p. 274 - 275, ln 5, Col. (k) | 404,563,495 | 382,333,163 | 393,448,329 |
| 8 | Less: ARO Related Deferrals | WS B-1 - Actual Stmt. AF Ln. 7 (Note 1) | - | - | - |
| 9 | Less: Other Excluded Deferrals | WS B-1 - Actual Stmt. AF Ln. 6 (Note 1) | 68,026,978 | 68,102,896 | 68,064,937 |
| 10 | Transmission Related Deferrals | Ln 7 - ln 8 - ln 9 | 336,536,517 | 314,230,267 | 325,383,392 |
| 11 | **Account 283** | | | | |
| 12 | Year End Utility Deferrals | FF1, p. 276 - 277, ln 9, Col. (k) | 52,982,505 | 42,561,368 | 47,771,937 |
| 13 | Less: ARO Related Deferrals | WS B-1 - Actual Stmt. AF Ln. 13 (Note 1) | - | - | - |
| 14 | Less: Other Excluded Deferrals | WS B-1 - Actual Stmt. AF Ln. 12 (Note 1) | - | - | - |
| 15 | Transmission Related Deferrals | Ln 12 - ln 13 - ln 14 | 52,982,505 | 42,561,368 | 47,771,937 |
| 16 | **Account 190** | | | | |
| 17 | Year End Utility Deferrals | FF1, p. 234, ln 8, Col. (c) | 14,399,416 | 20,719,214 | 17,559,315 |
| 18 | Less: ARO Related Deferrals | WS B-2 - Actual Stmt. AG Ln. 4 (Note 1) | - | - | - |
| 19 | Less: Other Excluded Deferrals | WS B-2 - Actual Stmt. AG Ln. 3 (Note 1) | (13,920,468) | (31,758,283) | (22,839,376) |
| 20 | Transmission Related Deferrals | Ln 17 - ln 18 - ln 19 | 28,319,884 | 52,477,497 | 40,398,691 |
| 21 | **Account 255** | | | | |
| 22 | Year End ITC Balances | FF1, p. 266-267, ln 8, Col. (h) | - | - | - |
| 23 | Less: Balances Not Qualified for Ratebase | Company Records - Note 1 | - | - | - |
| 24 | ITC Balances Includeable in Ratebase | Ln 22 - ln 23 | - | - | - |
| 25 | Transmission Related Deferrals | WS B-1 - Actual Stmt. AF Ln. 20 (Note 1) | - | - | - |

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 I.I67(I)-I(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.

**AEP Indiana Michigan Transmission Company**
**SPECIFIED DEFERRED CREDITS - Actual Cycle Only**
**PERIOD ENDED DECEMBER 31, 2024**

(DEBIT) CREDIT

| | COLUMN A | COLUMN B | COLUMN C | COLUMN D | COLUMN E | COLUMN F | COLUMN G | COLUMN H | COLUMN I | COLUMN J | COLUMN K | COLUMN L | COLUMN M | COLUMN N | COLUMN O |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | PER BOOKS | | NON-APPLICABLE/NON-UTILITY | | AVERAGE ELECTRIC | FUNCTIONALIZATION AVERAGE | | | FUNCTIONALIZATION 12/31/2023 | | | FUNCTIONALIZATION 12/31/2024 | | |
| | ACCUMULATED DEFERRED FIT ITEMS | BALANCE AS OF 12-31-2023 | BALANCE AS OF 12-31-2024 | BALANCE AS OF 12-31-2023 | BALANCE AS OF 12-31-2024 | UTILITY (B+C+D+E)/2 | GENERATION | TRANSMISSION | DISTRIBUTION | GENERATION | TRANSMISSION | DISTRIBUTION | GENERATION | TRANSMISSION | DISTRIBUTION |
| 1.00 | ACCOUNT 281: | | | | | | | | | | | | | | |
| 2.01 | | | | | | | | | | | | | | | |
| 2.02 | | 0 | 0 | | | 0 | 0 | 0 | 0 | | | | | | |
| 2.03 | | | | | | | | | | | | | | | |
| 2.04 | | 0 | 0 | 0 | 0 | 0 | | | | | | | | | |
| 2.05 | | 0 | 0 | 0 | 0 | 0 | | | | | | | | | |
| 2.06 | | 0 | 0 | 0 | 0 | 0 | | | | | | | | | |
| 3 | TOTAL ACCOUNT 281 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | ACCOUNT 281 - ARO-Related Deferrals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | ACCOUNT 282: | | | | | | | | | | | | | | |
| 5.01 | 230A - ACRS BENEFIT NORMALIZED | 275,835,084 | 0 | | | 137,917,542 | 0 | 137,917,542 | 0 | | 275,835,084 | | | - | |
| 5.02 | 230B - 481 a BONUS DEPRECIATION | (82,740) | 0 | | | (41,370) | 0 | (41,370) | 0 | | (82,740) | | | - | |
| 5.03 | 230X - R & D DEDUCTION - SEC 174 | 39,875 | 0 | | | 19,937 | 0 | 19,937 | 0 | | 39,875 | | | - | |
| 5.04 | 295A - GAIN/LOSS ON ACRS/MACRS PROPERTY | 24,938 | 0 | | | 12,469 | 0 | 12,469 | 0 | | 24,938 | | | - | |
| 5.05 | 320A - ABFUDC | 13,511,981 | 0 | | | 6,755,990 | 0 | 6,755,990 | 0 | | 13,511,981 | | | - | |
| 5.06 | 380J - INT EXP CAPITALIZED FOR TAX | (27,927,294) | 0 | | | (13,963,647) | 0 | (13,963,647) | 0 | | (27,927,294) | | | - | |
| 5.07 | 532C - BOOK/TAX UNIT OF PROPERTY ADJ | 15,200,840 | 0 | | | 7,600,420 | 0 | 7,600,420 | 0 | | 15,200,840 | | | - | |
| 5.08 | 532D - BK/TX UNIT OF PROPERTY ADJ-SEC 481 ADJ | 126,771 | 0 | | | 63,385 | 0 | 63,385 | 0 | | 126,771 | | | - | |
| 5.09 | 533J - TX ACCEL AMORT - CAPITALIZED SOFTWARE | 123,724 | 0 | | | 61,862 | 0 | 61,862 | 0 | | 123,724 | | | - | |
| 5.10 | 534A - CAPITALIZED RELOCATION COSTS | 26,032 | 0 | | | 13,016 | 0 | 13,016 | 0 | | 26,032 | | | - | |
| 5.11 | 711N - CAPITALIZED SOFTWARE COSTS-TAX | (127) | 0 | | | (63) | 0 | (63) | 0 | | (127) | | | - | |
| 5.12 | 712K - CAPITALIZED SOFTWARE COST-BOOK | 3,749,288 | 0 | | | 1,874,644 | 0 | 1,874,644 | 0 | | 3,749,288 | | | - | |
| 5.13 | 712L - CAPITALIZED SOFTWARE COST-BOOKS | (2,056,086) | 0 | | | (1,028,043) | 0 | (1,028,043) | 0 | | (2,056,086) | | | - | |
| 5.14 | 908B - BOOK OPERATING LEASE - ASSET | 214,080 | 0 | | | 107,040 | 0 | 107,040 | 0 | | 214,080 | | | - | |
| 5.15 | 910K - REMOVAL CST | 549,276 | 0 | | | 274,638 | 0 | 274,638 | 0 | | 549,276 | | | - | |
| 5.16 | 960F-XS - EXCESS ADFIT 282 - PROTECTED. | 104,044,763 | 0 | | | 52,022,381 | 0 | 52,022,381 | 0 | | 104,044,763 | | | - | |
| 5.17 | 960F-XS - EXCESS ADFIT 282 - UNPROTECTED. | (1,047,240) | 0 | | | (523,620) | 0 | (523,620) | 0 | | (1,047,240) | | | - | |
| 5.18 | 2010 - EXCESS ADFIT 282 - PROTECTED. | 0 | 103,930,163 | | | 51,965,081 | 0 | 51,965,081 | 0 | | - | | | 103,930,163 | |
| 5.19 | 2011 - EXCESS ADFIT 282 - UNPROTECTED. | 0 | (785,431) | | | (392,715) | 0 | (392,715) | 0 | | - | | | (785,431) | |
| 5.20 | 6002 - PT AFUDC Debt - NORM | 0 | 14,734,599 | | | 7,367,300 | 0 | 7,367,300 | 0 | | - | | | 14,734,599 | |
| 5.21 | 6007 - PT CIAC - NORM | 0 | (2,984,907) | | | (1,492,453) | 0 | (1,492,453) | 0 | | - | | | (2,984,907) | |
| 5.22 | 6009 - PT COR - NORM | 0 | 438,909 | | | 219,454 | 0 | 219,454 | 0 | | - | | | 438,909 | |
| 5.23 | 6011 - PT CPI - NORM | 0 | (30,565,276) | | | (15,282,638) | 0 | (15,282,638) | 0 | | - | | | (30,565,276) | |
| 5.24 | 6018 - PT Method/Life - NORM | 0 | 304,527,840 | | | 152,263,920 | 0 | 152,263,920 | 0 | | - | | | 304,527,840 | |
| 5.25 | 6021 - PT R&D Adiustment - NORM | 0 | 39,875 | | | 19,937 | 0 | 19,937 | 0 | | - | | | 39,875 | |
| 5.26 | 6022 - PT Relocation Cost - NORM | 0 | 26,032 | | | 13,016 | 0 | 13,016 | 0 | | - | | | 26,032 | |
| 5.27 | 6024 - PT Repairs UOP - NORM | 0 | 17,085,083 | | | 8,542,542 | 0 | 8,542,542 | 0 | | - | | | 17,085,083 | |
| 5.28 | 6026 - PT Software - NORM | 0 | (64) | | | (32) | 0 | (32) | 0 | | - | | | (64) | |
| 5.29 | 6523 - 2020 712L 481/a) Software | 0 | (2,056,086) | | | (1,028,043) | 0 | (1,028,043) | 0 | | - | | | (2,056,086) | |
| 5.30 | 7585 - BOOK OPERATING LEASE - ASSET | 0 | 172,758 | | | 86,379 | 0 | 86,379 | 0 | | - | | | 172,758 | |
| 5.31 | NOL ADJUSTMENT | (68,102,896) | (68,026,978) | | | (68,064,937) | 0 | (68,064,937) | 0 | | (68,102,896) | | | (68,026,978) | |
| 5.32 | NOL CONTRA | 68,102,896 | 68,026,978 | (68,102,896) | (68,026,978) | 0 | | | | | | | | | |
| 5.33 | NON-UTILITY DEFERRED FIT | - | - | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | |
| 5.34 | SFAS 109 FLOW-THRU 282.3 | 38,068,740 | 41,135,014 | (38,068,740) | (41,135,014) | 0 | 0 | 0 | 0 | | | | | | |
| 5.35 | SFAS 109 EXCESS DFIT 282.4 | (102,997,523) | (103,144,732) | 102,997,523 | 103,144,732 | 0 | 0 | 0 | 0 | | | | | | |
| 6 | TOTAL ACOUNT 282 | 317,404,380 | 342,553,776 | (3,174,113) | (6,017,259) | 325,383,392 | 0 | 325,383,392 | 0 | 0 | 314,230,267 | 0 | 0 | 336,536,517 | 0 |
| 7 | ACCOUNT 282 - ARO-Related Deferals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 | ACCOUNT 283: | | | | | | | | | | | | | | |
| 9.01 | 675A - REG ASSET-FERC Formula Rates Under Recvr | 0 | 0 | | | 0 | 0 | 0 | 0 | | | | | | |
| 9.02 | 960F-XS - EXCESS ADFIT 283 - UNPROTECTED. | 0 | 0 | | | 0 | 0 | 0 | 0 | | | | | | |
| 9.03 | 2012 - EXCESS ADFIT 283 - UNPROTECTED. | (3,920,877) | (2,940,657) | | | (3,430,767) | 0 | (3,430,767) | 0 | | (3,920,877) | | | (2,940,657) | |
| 9.04 | 7423 - REG ASSET-FERC Formula Rates Under Recvr | (0) | 44,824 | | | 22,412 | 0 | 22,412 | 0 | | (0) | | | 44,824 | |
| 9.05 | NOL ADJUSTMENT | - | - | | | 0 | 0 | 0 | 0 | | - | | | - | |
| 9.06 | NOL CONTRA | - | - | 0 | 0 | 0 | | | | | | | | | |
| 9.07 | SFAS 109 FLOW-THRU 283.3 | 12,659,363 | 13,668,024 | (12,659,363) | (13,668,024) | 0 | | | | | | | | | |
| 9.08 | SFAS 109 EXCESS DFIT 283.4 | 3,920,877 | 2,940,657 | (3,920,877) | (2,940,657) | 0 | | | | | | | | | |
| 9.09 | SFAS 133 ADIT FED - SFAS 133 NONAFFIL 2830006 | - | - | 0 | 0 | 0 | | | | | | | | | |
| 9.10 | ADIT - FED-HDG-CF-INT RATE 2830015 | - | - | 0 | 0 | 0 | | | | | | | | | |
| 10 | | 12,659,362 | 13,712,848 | (16,580,240) | (16,608,681) | (3,408,355) | 0 | (3,408,355) | 0 | 0 | (3,920,878) | 0 | 0 | (2,895,833) | 0 |
| 11 | DEFD STATE INCOME TAXES | 46,482,246 | 55,878,338 | | | 51,180,292 | 0 | 51,180,292 | 0 | | 46,482,246 | | | 55,878,338 | |
| 11.01 | Acc Dfrd SIT FAS 109 Flow Thru 283.3002 | 12,094,401 | 13,016,191 | (12,094,401) | (13,016,191) | 0 | | | | | | | | | |
| 12 | TOTAL ACCOUNT 283 | 71,236,009 | 82,607,378 | (28,674,641) | (29,624,872) | 47,771,937 | 0 | 47,771,937 | 0 | 0 | 42,561,368 | 0 | 0 | 52,982,505 | 0 |
| 13 | ACCOUNT 283 - ARO-Related Deferals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | JURISDICTIONAL AMOUNTS FUNCTIONALIZED | | | | | | | | | | | | | | |
| 15 | TOTAL COMPANY AMOUNTS FUNCTIONALIZED | | | | | | | | | | | | | | |
| 16 | REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT | | | | | | | | | | | | | | |
| 17 | NOTE: POST 1970 ACCUMULATED DEFERRED | | | | | | | | | | | | | | |
| 18 | INV TAX CRED. (JDITC) IN A/C 255 | | | | | | | | | | | | | | |
| 18.01 | | 0 | 0 | | | 0 | 0 | 0 | 0 | | | | | | |
| 18.02 | | 0 | 0 | | | 0 | 0 | 0 | 0 | | | | | | |
| 19 | | | | | | | | | | | | | | | |
| 20 | TOTAL ACCOUNT 255 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**AEP Indiana Michigan Transmission Company**
**ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 190 - Actual Cycle Only**
**PERIOD ENDED DECEMBER 31, 2024**

DEBIT (CREDIT)

| | COLUMN A | COLUMN B | COLUMN C | COLUMN D | COLUMN E | COLUMN F | COLUMN G | COLUMN H | COLUMN I | COLUMN J | COLUMN K | COLUMN L | COLUMN M | COLUMN N | COLUMN O |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | PER BOOKS | | NON-APPLICABLE/NON-UTILITY | | | FUNCTIONALIZATION AVERAGE | | | FUNCTIONALIZATION 12/31/2023 | | | FUNCTIONALIZATION 12/31/2024 | | |
| | ACCUMULATED DEFERRED FIT ITEMS | BALANCE AS OF 12-31-2023 | BALANCE AS OF 12-31-2024 | BALANCE AS OF 12-31-2023 | BALANCE AS OF 12-31-2024 | AVERAGE ELECTRIC UTILITY (B+C+D+E)/2 | GENERATION | TRANSMISSION | DISTRIBUTION | GENERATION | TRANSMISSION | DISTRIBUTION | GENERATION | TRANSMISSION | DISTRIBUTION |
| 1 | ACCOUNT 190: | | | | | | | | | | | | | | |
| 2.01 | 011C-DFIT - TAX CREDIT C/F - DEF TAX ASSET | 0 | 0 | | | 0 | 0 | 0 | 0 | | - | | | | |
| 2.02 | 003Q-IN - State Property Mod - IN | (3,232,567) | 0 | | | (1,616,283) | 0 | (1,616,283) | 0 | | (3,232,567) | | | | |
| 2.03 | 003Q-MI - State Property Mod - MI | (443,133) | 0 | | | (221,567) | 0 | (221,567) | 0 | | (443,133) | | | | |
| 2.04 | 230A - ACRS BENEFIT NORMALIZED | 13,810,340 | 0 | | | 6,905,170 | 0 | 6,905,170 | 0 | | 13,810,340 | | | | |
| 2.05 | 230B - 481 a BONUS DEPRECIATION | (4,143) | 0 | | | (2,071) | 0 | (2,071) | 0 | | (4,143) | | | | |
| 2.06 | 230X - R & D DEDUCTION - SEC 174 | 1,996 | 0 | | | 998 | 0 | 998 | 0 | | 1,996 | | | | |
| 2.07 | 280A - EXCESS TX VS S/L BK DEPR | 0 | 0 | | | 0 | 0 | 0 | 0 | | - | | | | |
| 2.08 | 295A - GAIN/LOSS ON ACRS/MACRS PROPERTY | 1,249 | 0 | | | 624 | 0 | 624 | 0 | | 1,249 | | | | |
| 2.09 | 310A - AOFUDC | 0 | 0 | | | 0 | 0 | 0 | 0 | | - | | | | |
| 2.10 | 320A - ABFUDC | 676,509 | 0 | | | 338,255 | 0 | 338,255 | 0 | | 676,509 | | | | |
| 2.11 | 380J - INT EXP CAPITALIZED FOR TAX | (1,398,246) | 0 | | | (699,123) | 0 | (699,123) | 0 | | (1,398,246) | | | | |
| 2.12 | 390A - CIAC - BOOK RECEIPTS | 2,243,970 | 0 | | | 1,121,985 | 0 | 1,121,985 | 0 | | 2,243,970 | | | | |
| 2.13 | 520A - PROVS POSS REV REFDS-A/L | 7,859,385 | 0 | | | 3,929,692 | 0 | 3,929,692 | 0 | | 7,859,385 | | | | |
| 2.14 | 532C - BOOK/TAX UNIT OF PROPERTY ADJ | 761,066 | 0 | | | 380,533 | 0 | 380,533 | 0 | | 761,066 | | | | |
| 2.15 | 532D - BK/TX UNIT OF PROPERTY ADJ-SEC 481 ADJ | 6,347 | 0 | | | 3,174 | 0 | 3,174 | 0 | | 6,347 | | | | |
| 2.16 | 533J - TX ACCEL AMORT - CAPITALIZED SOFTWARE | 6,195 | 0 | | | 3,097 | 0 | 3,097 | 0 | | 6,195 | | | | |
| 2.17 | 534A - CAPITALIZED RELOCATION COSTS | 1,303 | 0 | | | 652 | 0 | 652 | 0 | | 1,303 | | | | |
| 2.18 | 601E - INSURANCE PREMIUMS ACCRUED | (85,335) | 0 | | | (42,668) | 0 | (42,668) | 0 | | (85,335) | | | | |
| 2.19 | 612Y - ACCRD COMPANYWIDE INCENTV PLAN | 0 | 0 | | | 0 | 0 | 0 | 0 | | 0 | | | | |
| 2.20 | 613I - BOOK LEASES DEFERRED | (0) | 0 | | | 0 | 0 | (0) | 0 | | (0) | | | | |
| 2.21 | 675A - REG ASSET-FERC Formula Rates Under Recvr | (0) | 0 | | | 0 | 0 | (0) | 0 | | (0) | | | | |
| 2.22 | 711N - CAPITALIZED SOFTWARE COSTS-TAX | (6) | 0 | | | (3) | 0 | (3) | 0 | | (6) | | | | |
| 2.23 | 712K - CAPITALIZED SOFTWARE COST-BOOK | 187,717 | 0 | | | 93,859 | 0 | 93,859 | 0 | | 187,717 | | | | |
| 2.24 | 712L - CAPITALIZED SOFTWARE COST-BOOKS | (102,943) | 0 | | | (51,471) | 0 | (51,471) | 0 | | (102,943) | | | | |
| 2.25 | 908A - BOOK OPERATING LEASE - LIAB | 215,167 | 0 | | | 107,584 | 0 | 107,584 | 0 | | 215,167 | | | | |
| 2.26 | 908B - BOOK OPERATING LEASE - ASSET | 10,718 | 0 | | | 5,359 | 0 | 5,359 | 0 | | 10,718 | | | | |
| 2.27 | 910K - REMOVAL CST | 27,501 | 0 | | | 13,750 | 0 | 13,750 | 0 | | 27,501 | | | | |
| 2.28 | 911F-FIN48 - FIN 48 DSIT | (4) | 0 | | | (2) | 0 | (2) | 0 | | (4) | | | | |
| 2.29 | 911S - ACCRUED SALES & USE TAX RESERVE | 176,127 | 0 | | | 88,064 | 0 | 88,064 | 0 | | 176,127 | | | | |
| 2.30 | 960Z - NOL - DEFERRED TAX ASSET RECLASS | (0) | 0 | | | 0 | 0 | (0) | 0 | | (0) | | | | |
| 2.31 | 3091 - TAX CREDIT C/F W DEF TAX | 0 | (0) | | | 0 | 0 | (0) | 0 | | | | | | (0) |
| 2.32 | 6002 - PT AFUDC Debt - NORM | 0 | 734,915 | | | 367,457 | 0 | 367,457 | 0 | | | | | | 734,915 |
| 2.33 | 6007 - PT CIAC - NORM | 0 | (148,878) | | | (74,439) | 0 | (74,439) | 0 | | | | | | (148,878) |
| 2.34 | 6009 - PT COR - NORM | 0 | 21,891 | | | 10,946 | 0 | 10,946 | 0 | | | | | | 21,891 |
| 2.35 | 6011 - PT CPI - NORM | 0 | (1,524,498) | | | (762,249) | 0 | (762,249) | 0 | | | | | | (1,524,498) |
| 2.36 | 6018 - PT Method/Life - NORM | 0 | 15,188,877 | | | 7,594,439 | 0 | 7,594,439 | 0 | | | | | | 15,188,877 |
| 2.37 | 6021 - PT R&D Adjustment - NORM | 0 | 1,989 | | | 994 | 0 | 994 | 0 | | | | | | 1,989 |
| 2.38 | 6022 - PT Relocation Cost - NORM | 0 | 1,298 | | | 649 | 0 | 649 | 0 | | | | | | 1,298 |
| 2.39 | 6024 - PT Repairs UOP - NORM | 0 | 852,149 | | | 426,075 | 0 | 426,075 | 0 | | | | | | 852,149 |
| 2.40 | 6026 - PT Software - NORM | 0 | (3) | | | (2) | 0 | (2) | 0 | | | | | | (3) |
| 2.41 | 6523 - 2020 712L 481(a) Software | 0 | (102,551) | | | (51,276) | 0 | (51,276) | 0 | | | | | | (102,551) |
| 2.42 | 7021 - PROVS POSS REV REFDS-A/L | 0 | 2,316,104 | | | 1,158,052 | 0 | 1,158,052 | 0 | | | | | | 2,316,104 |
| 2.43 | 7027 - INSURANCE PREMIUMS ACCRUED | 0 | (112,588) | | | (56,294) | 0 | (56,294) | 0 | | | | | | (112,588) |
| 2.44 | 7039 - ACCRD LEASED ASSET BK RENT EXP | 0 | (4,952) | | | (2,476) | 0 | (2,476) | 0 | | | | | | (4,952) |
| 2.45 | 7048 - ACCRD COMPANYWIDE INCENTV PLAN | 0 | 27,300 | | | 13,650 | 0 | 13,650 | 0 | | | | | | 27,300 |
| 2.46 | 7054 - BOOK LEASES DEFERRED | 0 | (45,932) | | | (22,966) | 0 | (22,966) | 0 | | | | | | (45,932) |
| 2.47 | 7423 - REG ASSET-FERC Formula Rates Under Recvr | 0 | 2,236 | | | 1,118 | 0 | 1,118 | 0 | | | | | | 2,236 |
| 2.48 | 7584 - BOOK OPERATING LEASE - LIAB | 0 | 175,949 | | | 87,975 | 0 | 87,975 | 0 | | | | | | 175,949 |
| 2.49 | 7585 - BOOK OPERATING LEASE - ASSET | 0 | 8,617 | | | 4,308 | 0 | 4,308 | 0 | | | | | | 8,617 |
| 2.50 | 7587 - ACCRUED SALES & USE TAX RESERVE | 0 | 176,162 | | | 88,081 | 0 | 88,081 | 0 | | | | | | 176,162 |
| 2.51 | 9011 - State Property Mod - IN | 0 | (2,786,727) | | | (1,393,363) | 0 | (1,393,363) | 0 | | | | | | (2,786,727) |
| 2.52 | 9015 - State Property Mod - MI | 0 | (381,942) | | | (190,971) | 0 | (190,971) | 0 | | | | | | (381,942) |
| 2.53 | NOL ADJUSTMENT | 31,758,283 | 13,920,468 | | | 22,839,376 | 0 | 22,839,376 | 0 | | 31,758,283 | | | | 13,920,468 |
| 2.54 | NOL CONTRA | (31,758,283) | (13,920,468) | 31,758,283 | 13,920,468 | 0 | | | | | | | | | |
| 2.55 | NON-UTILITY DEFERRED FIT | (0) | (0) | 0 | 0 | 0 | | | | | | | | | |
| 2.56 | SFAS 109 FLOW-THRU 190.3 | 2,539,823 | 2,733,401 | (2,539,823) | (2,733,401) | 0 | | | | | | | | | |
| 2.57 | SFAS 109 EXCESS DFIT 190.4 | 32,944,627 | 33,295,034 | (32,944,627) | (33,295,034) | 0 | | | | | | | | | |
| 2.58 | SFAS 133 ADIT FED - SFAS NONAFFIL 1900006 | - | - | 0 | 0 | 0 | | | | | | | | | |
| 2.59 | ADIT FED - PENSION OCI NAF 1900009 | - | - | 0 | 0 | 0 | | | | | | | | | |
| 2.60 | ADIT-FED-HDG-CF-INT RATE1900015 | - | - | 0 | 0 | 0 | | | | | | | | | |
| 3 | TOTAL ACCOUNT 190 | 56,203,664 | 50,427,851 | (3,726,167) | (22,107,967) | 40,398,692 | 0 | 40,398,691 | 0 | 0 | 52,477,497 | 0 | 0 | 28,319,884 | 0 |
| 4 | ACCOUNT 190 - ARO-Related Deferals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

INDIANA MICHIGAN TRANSMISSION COMPANY
ATTACHMENT H-20B
WORKSHEET B-3-X
TAX REMEASUREMENT WORKSHEET
Debit/(Credit)

| A | B | C | D | E |
|---|---|---|---|---|
| Line No. | **Utility Account (NOTE A)** | **Description of Account** | **Protected Unprotected** | **Tax Rate Change Act** |
| | **Deferred Tax Account (NOTE B)** | | | |
| 1a | 1904001 | ADFIT - FAS 109 Excess | N/A | TCJA 2017 |
| 1b | 2821001 | ADFIT - Utility Property | Protected | TCJA 2017 |
| 1c | 2821001 | ADFIT - Utility Property | Unprotected | TCJA 2017 |
| 1d | 2824001 | ADFIT - Utility Property FAS 109 Excess | Protected | TCJA 2017 |
| 1e | 2824001 | ADFIT - Utility Property FAS 109 Excess | Unprotected | TCJA 2017 |
| 1f | 2831001 | ADFIT - Other Utility Deferrals | Unprotected | TCJA 2017 |
| 1g | 2834001 | ADFIT - Other FAS 109 Excess | Unprotected | TCJA 2017 |
| 1h | **NOTE D** | | | |
| | **Regulatory Deferral Accounts** | | | |
| 2a | 182.3 | Regulatory Asset | | TCJA 2017 |
| 2b | 254 | Regulatory Liability | | TCJA 2017 |
| 2c | **NOTE D** | | | |
| 3 | Total For Accounting Entires (Sum of Lines 1a through 2b) | | | |

NOTE A In order to ensure ratebase neutrality, AEP utilizes the fourth digit of its seven digit FERC Tax subaccount nun the fourth digit of a FERC tax account refers to the utility operations balance or entry. Accounts with the "1" de the four place of the account number indicates accounts used to track regulatory accounting requirements. Th which will ensure that in the formula rate the excess amount will be part of ratebase, but at the total FERC acc in the "4" will be offset on a net basis in the regulatory asset or liability subaccount established for this purpos

NOTE B: The amount of the FIT gross up to recorded on regulatory assets and liabilities will be reported on the first line

NOTE C: The amounts of the remeasurement shown here are as of the effective date of the change in tax rates and will post-remeasurement balances of ADIT, are presented in formula wokpaper(s) B-3-X,

NOTE D: {REFERENCE OR CITE TO APPROVAL OF AMORTIZATION PERIOD FOR UNPROTECTED EXCESS OR D

NOTE E: In the event of future tax rate changes, additional lines will be inserted in both the Total Company and Transm deferral accounts that may be necessary to track that tax rate change.

NOTE F: The amount of excess amortization entries shown in lines 1a through 1h are shown as a debit or credit to the A recorded to the 410/411 account and will tie to the total company amount of excess or deficient ADIT amortiza

| F | G | H | I | J |
|---|---|---|---|---|
| | | | 1/1/2024 Beginning | Balances |
| **Excess / Deficient Balance at Remeasurement** | **Amortization Methodology (NOTE C)** | **Amotization Period** | **Excess / Deficient ADIT Regulatory Offset** | **Excess / Deficient ADIT in Utility Deferrals** |
| | | | 32,944,627 | |
| (106,249,253) | **ARAM** | **Life of Asset** | | (104,044,763) |
| 2,532,427 | **10 Years** | **1/2018 - 12/2027** | | 1,047,237 |
| | | | 104,044,764 | |
| | | | (1,047,237) | |
| 3,966,093 | **10 Years** | **1/2018 - 12/2027** | | 3,920,879 |
| | | | (3,920,878) | |
| | | | | |
| | | | - | |
| | | | (132,021,273) | |
| | | | | |
| | | | 2 | (100,226,301) |

nbers to identify balances associated with uitlity operations vs regulatory reporting requirements. A "1" in esignation will be included in the determination of ratebase to be recovered in the formula rate. A "4" in ne excess ADIT amounts recorded in accounts with the "4" designation will be contra to the "1" balance, ount level the tax asset or liability will be recorded at the current Federal FIT rate. The amounts recored e.

e of ADIT accounts provided for each specific change in tax rates.

remain static on this workpaper. The derivation of this amount, along with the pre-remeasurement and

)EFICIENT ADIT}

ission Functional sections above as required to reflect any new ADIT or regulatory

ADIT account from which it is being amortized. The total in line 3 is the offset tion shown on line 102 of the cost of service

| K | L | M | N | O | P |
|---|---|---|---|---|---|
| | Balance Sheet Entries | | Tax Expense Entries | | 12/31/2024 Er |
| **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** |
| | | | | | **Sum of Co** |
| | | 350,407 | | | 33,295,034 |
| | | | 114,600 | - | |
| | | | (261,809) | - | |
| | | (114,600) | | | 103,930,164 |
| | | 261,809 | | | (785,428) |
| | | | (980,220) | - | |
| | | 980,220 | | | (2,940,658) |
| | | | | | |
| | | | | | - |
| | | (1,477,836) | | | (133,499,110) |
| | | | | | |
| - | - | - | 1,127,429 | - | 1.5 |
| | | | NOTE E | | |

| Q | R |
|---|---|
| ıding Balance | |
| **Excess / Deficient ADIT in Utility Deferrals** | **Reference** |
| **ɔls (l) - (O)** | |
| | WS B - 2 Col B/C, ADIT Item 2.14 |
| (103,930,163) | WS B - 1 Col N, ADIT Item 5.15 |
| 785,428 | WS B - 1 Col N, ADIT Item 5.16 |
| | WS B - 1 Col B/C, ADIT Item 5.21 |
| | |
| 2,940,659 | WS B - 1 Col N, ADIT Item 9.03 |
| | WS B - 1 Col B/C, ADIT Item 9.08 |
| | |
| | Company Records |
| | Company Records |
| (100,204,077) | |

AEP EAST TRANSMISSION COMPANIES
AEP INDIANA MICHIGAN TRANSMISSION COMPANY
ATTACHMENT H-20B
WORKSHEET B-3-A
TAX REMEASUREMENT WORKSHEET
Debit/(Credit)

**TAX CUT and JOBS ACT of 2017**

| A | B | C | D | E | F=E/C | G | H = E + G | I |
|---|---|---|---|---|---|---|---|---|
| Line No. | Utility Account | 12/31/17 Pre-remeasurement Balance | Reference | Remeasurement Amount (NOTE 1) | Remeasurement Percentage (NOTE 2) | 190/283 Recalss (NOTE 3) | Total Excess/Deficiency by Account (NOTE 4) | Protected / Unprotected |
| 1 | 1901001 | 9,916,884 | 2018 FF1 P. 234 Col (b) Line 8 | 3,966,093 | 40% | (3,966,093) | - | |
| 2 | 2821001 | (259,292,066) | 2018 FF1 P. 274 Col (b) Line 5 | (103,716,826) | 40% | - | (106,249,253) | Protected |
| | | | | | | | 2,532,427 | Unprotected |
| 3 | 2831001 | - | 2018 FF1 P. 276 Col (b) Line 9 | - | N/A | 3,966,093 | 3,966,093 | Unprotected |
| 4 | Total | (249,375,182) | | (99,750,733) | | - | (99,750,733) | |

GENERAL NOTE: This worksheet will summarize remeasurement adjustments in ADIT Accounts 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 reclassed to account 2831001 to group nonproperty utility deferrals together as one timing difference.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet C Supporting Working Capital Rate Base Adjustments
AEP Indiana Michigan Transmission Company

## Materials & Supplies

| Line Number | | Source | Balance @ December 31, 2024 | Balance @ December 31, 2023 | Average Balance for 2024 |
|---|---|---|---|---|---|
| 1 | | | | | |
| 2 | Transmission Materials & Supplies | FF1, p. 227, ln 8, Col. (c) & (b) | 18 | 1 | 10 |
| 3 | General Materials & Supplies | FF1, p. 227, ln 11, Col. (c) & (b) | | | - |
| 4 | Stores Expense (Undistributed) - Account 163 | FF1, p. 227, ln 16, Col. (c) & (b) | | | - |

## 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) |
|---|---|---|---|---|---|---|---|
| 6 | Totals as of December 31, 2024 | 852,677 | 0 | 0 | 852,677 | 0 | 852,677 |
| 7 | Totals as of December 31, 2023 | 737,844 | 0 | 0 | 737,844 | 0 | 737,844 |
| 8 | **Average Balance** | 795,261 | - | - | 795,261 | - | 795,261 |

## Prepayments Account 165 - Balance @ 12/31/2024

| 9 | Acc. No. | Description | 2024 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 | 564,280 | - | | 564,280 | | 564,280 | |
| 11 | 165001223 | Prepaid Use Taxes | 0 | - | | - | | - | |
| 12 | 165001224 | Prepaid Use Taxes | 2,848 | - | | 2,848 | | 2,848 | |
| 13 | 1650021 | Prepaid Insurance - EIS | 234,478 | | | 234,478 | | 234,478 | |
| 14 | 1650023 | Prepaid Lease | 51,071 | | | 51,071 | | 51,071 | |
| 15 | | | | | | | | | |
| 16 | | | | | | | | | |
| 17 | | | | | | | | | |
| 18 | | | | | | | | | |
| 19 | | | | | | | | | |
| 20 | | | | | | | | | |
| 21 | | | | | | | | | |
| 22 | | | | | | | | | |
| 23 | | | | | | | | | |
| 24 | | | | | | | | | |
| 25 | | **Subtotal - Form 1, p 111.57.c** | 852,677 | 0 | 0 | 852,677 | 0 | 852,677 | |

## Prepayments Account 165 - Balance @ 12/31/ 2023

| 26 | Acc. No. | Description | 2023 YE Balance | Excludable Balances | 100% Transmission Related | Transmission Plant Related | Transmission Labor Related | Total Included in Ratebase (E)+(F)+(G) | Explanation |
|---|---|---|---|---|---|---|---|---|---|
| 27 | 1650001 | Prepaid Insurance | 427,777 | - | | 427,777 | | 427,777 | |
| 28 | 165001223 | Prepaid Use Taxes | 6,227 | - | | 6,227 | | 6,227 | |
| 29 | 1650021 | Prepaid Insurance - EIS | 256,954 | - | | 256,954 | | 256,954 | |
| 30 | 1650023 | Prepaid Lease | 46,886 | - | | 46,886 | | 46,886 | |
| 31 | | | | | | | | | |
| 32 | | | | | | | | | |
| 33 | | | | | | | | | |
| 34 | | | | | | | | | |
| 35 | | | | | | | | | |
| 34 | | | | | | | | | |
| 35 | | | | | | | | | |
| 36 | | | | | | | | | |
| 37 | | | | | | | | | |
| 38 | | | | | | | | | |
| 39 | | | | | | | | | |
| 40 | | **Subtotal - Form 1, p 111.57.d** | 737,844 | 0 | 0 | 737,844 | 0 | 737,844 | |

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 [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).

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet D Supporting IPP Credits
AEP Indiana Michigan Transmission Company

| Line Number | (A) Description | (B) 2024 |
|---|---|---|
| 1 | Net Funds from IPP Customers 12/31/2023 (2024 FORM 1, P269) | - |
| 2 | Interest Expense (Company Records - Note 1) | - |
| 3 | Revenue Credits to Generators (Company Records - Note 1) | - |
| 4 | Other Adjustments | |
| 5 | Accounting Adjustment (Company Records - Note 1) | - |
| 6 | | - |
| 7 | Net Funds from IPP Customers 12/31/2024 (2024 FORM 1, P269) | - |
| 8 | Average Balance for Year as Indicated in Column ((ln 1 + ln 7)/2) | - |

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet E Supporting Revenue Credits
AEP Indiana Michigan Transmission Company

| Line Number | Description | Total Company | Non-Transmission | Transmission |
|---|---|---|---|---|
| 1 | **Account 450, Forfeited Discounts (FF1 p.300.16.(b); Company Records - Note 1)** | | - | |
| 2 | **Account 451,Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)** | | - | |
| 3 | **Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)** | 1,660,991 | - | 1,660,991 |
| 4 | **Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)** | | - | |
| 5 | **Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)** | 493,031,882 | 493,013,994 | 17,888 |
| 5a | **Account 457.1, Regional Control Service Revenues (FF1 p.300.23.(b); Company Records - Note 1)** | | - | |
| 5b | **Account 457.2, Miscellaneous Revenues (FF1p.300.24.(b); Company Records - Note 1)** | | - | |
| 6 | **Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))** | 494,692,873 | 493,013,994 | 1,678,879 |
| 7 | **Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)** | | - | |
| 8 | **Total Other Operating Revenues To Reduce Revenue Requirement** | 494,692,873 | 493,013,994 | 1,678,879 |
| 9 | **Facility Credits under PJM OATT Section 30.9** | | | |

Note 1 The total company data on this worksheet comes from the indicated FF1 source, or AEP Indiana Michigan Transmission 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)

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
AEP Indiana Michigan Transmission Company

| Line Number | (A) Item No. | (B) Description | (C) 2024 Expense | (D) 100% Non-Transmission | (E) 100% Transmission Specific | (F) Explanation |
|---|---|---|---|---|---|---|
| | | **Regulatory O&M Deferrals & Amortizations** | | | | |
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | **Total** | - | | | |
| | | **Detail of Account 561 Per FERC Form 1** | | | | |
| 5 | | | | | | |
| 6 | FF1 p 321.85.b | 561.1 - Load Dispatch - Reliability | - | | | |
| 7 | FF1 p 321.86.b | 561.2 - Load Dispatch - Monitor & Operate Trans System | 496,796 | | | |
| 8 | FF1 p 321.87.b | 561.3 - Load Dispatch - Trans Service & Scheduling | 3,147 | | | |
| 9 | FF1 p 321.88.b | 561.4 - Scheduling, System Control & Dispatch | - | | | |
| 10 | FF1 p 321.89.b | 561.5 - Reliability, Planning and Standards Development | 322,240 | | | |
| 11 | FF1 p 321.90.b | 561.6 - Transmission Service Studies | - | | | |
| 12 | FF1 p 321.91.b | 561.7 - Generation Interconnection Studies | - | | | |
| 13 | FF1 p 321.92.b | 561.8 - Reliability, Planning and Standards Development Services | - | | | |
| 14 | | **Total of Account 561** | 822,183 | | | |
| | | **Account 928** | | | | |
| 15 | 9280000 | Regulatory Commission Exp | 1,160 | 1,160 | - | |
| 16 | 9280001 | Regulatory Commission Exp-Adm | 19 | 19 | - | |
| 17 | 9280002 | Regulatory Commission Exp-Case | 7,512 | 7,512 | - | |
| 18 | 9280005 | Reg Com Exp-FERC Trans Cases | 116,709 | - | 116,709 | |
| 19 | | | | | - | |
| 20 | | | | | | |
| 21 | | **Total (FERC Form 1 p.323.189.b)** | 125,400 | 8,691 | 116,709 | |
| | | **Account 930.1** | | | | |
| 22 | 9301000 | General Advertising Expenses | - | - | - | |
| 23 | 9301001 | Newspaper Advertising Space | 291 | 291 | - | |
| 24 | 9301010 | Publicity | - | - | - | |
| 25 | 9301012 | Public Opinion Surveys | 3 | 3 | - | |
| 26 | 9301014 | Video Communications | - | - | | |
| 27 | 9301015 | Other Corporate Comm Exp | - | - | - | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | **Total (FERC Form 1 p.323.191.b)** | 294 | 294 | - | |
| | | **Account 930.2** | | | | |
| 39 | 9302000 | Misc General Expenses | 105,238 | 105,238 | - | |
| 40 | 9302003 | Corporate & Fiscal Expenses | 56,409 | 56,409 | - | |
| 41 | 9302004 | Research, Develop&Demonstr Exp | 635 | 635 | - | |
| 42 | 9302007 | Assoc Business Development Exp | 787 | - | 787 | |
| 43 | 9302017 | SellingPrice Normalization Exp | - | - | - | |
| 44 | | **Total (FERC Form 1 p.323.192.b)** | 163,069 | 162,282 | 787 | |

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet G Supporting - Development of Composite State Income Tax Rate
AEP Indiana Michigan Transmission Company

| | | | |
|---|---|---|---|
| 1 | Indiana State Tax Rate | 4.90% | |
| | Apportionment Factor - Note 1 | 89.52% | |
| | Effective State Tax Rate | | 4.39% |
| 2 | Michigan Tax Rate | 6.00% | |
| | Apportionment Factor - Note 1 | 10.02% | |
| | Effective State Tax Rate | | 0.60% |
| 3 | _____ Tax Rate | | |
| | Apportionment Factor - Note 1 | | |
| | Effective State Tax Rate | | 0.00% |
| 4 | _____ Tax Rate | | |
| | Apportionment Factor - Note 1 | | |
| | Effective State Tax Rate | | 0.00% |
| 5 | _____ Tax Rate | | |
| | Apportionment Factor - Note 1 | | |
| | Effective State Tax Rate | | 0.00% |
| | Total Effective State Income Tax Rate | | 4.99% |

Note 1 Apportionment Factors are determined as part of the Company's annual tax return for that jurisdiction.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet H page 1 Supporting Taxes Other than Income
AEP Indiana Michigan Transmission Company

| Line No. | (A) Account | (B) Total Company NOTE 1 | (C) Property | (D) Labor | (E) Other | (F) Non-Allocable |
|---|---|---|---|---|---|---|
| 1 | **Revenue Taxes** | | | | | |
| 2 | Gross Receipts Tax | 33 | | | | 33 |
| 3 | **Real Estate and Personal Property Taxes** | | | | | |
| 4 | Real and Personal Property - Michigan | 15,870,039 | 15,870,039 | | | |
| 5 | Real and Personal Property - Indiana | 25,411,202 | 25,411,202 | | | |
| 6 | Real and Personal Property - Tennessee | - | - | | | |
| 7 | Real and Personal Property - Other Jurisdictions | - | - | | | |
| 8 | **Payroll Taxes** | | | | | |
| 9 | Federal Insurance Contribution (FICA ) | - | | - | | |
| 10 | Federal Unemployment Tax | - | | - | | |
| 11 | State Unemployment Insurance | - | | - | | |
| 12 | *Line Deliberately Left Blank* | | | | | |
| 13 | State Severance Taxes | - | | | | - |
| 14 | **Miscellaneous Taxes** | | | | | |
| 15 | State Business & Occupation Tax | - | | | | - |
| 16 | State Public Service Commission Fees | - | | | - | |
| 17 | State Franchise Taxes | - | | | - | |
| 18 | State Lic/Registration Fee | - | | | - | |
| 19 | Misc. State and Local Tax | - | | | - | |
| 20 | Sales & Use | (247) | | | | (247) |
| 21 | Federal Excise Tax | - | | | | - |
| 22 | Michigan Single Business Tax | - | | | | - |
| 23 | Total Taxes by Allocable Basis | 41,281,027 | 41,281,241 | - | - | (214) |

(Total Company Amount Ties to FFI p.114, Ln 14,(c))

NOTE 1: The detail of each total company number and its source in the FERC Form 1 is shown on WS H-1.

**Functional Property Tax Allocation**

| | | Lines 24-58 Column (B) Deliberately Left Blank | Transmission | Lines 24-58 Column (D) Deliberately Left Blank | General | Total |
|---|---|---|---|---|---|---|
| 24 | Functionalized Net Plant (TCOS, Lns 33 thru 36) | - | 3,438,426,967 | - | 56,195,361 | 3,494,622,327 |
| | **MICHIGAN JURISDICTION** | | | | | |
| 25 | Percentage of Plant in MICHIGAN JURISDICTION | | | | | |
| 26 | Net Plant in MICHIGAN JURISDICTION (Ln 24 * Ln 25) | - | - | - | - | - |
| 27 | Less: Net Value of Exempted Generation Plant | | | | | |
| 28 | Taxable Property Basis (Ln 26 - Ln 27) | - | - | - | - | - |
| 29 | Relative Valuation Factor | | | | | - |
| 30 | Weighted Net Plant (Ln 28 * Ln 29) | - | - | - | - | |
| 31 | General Plant Allocator (Ln 30 / (Total - General Plant)) | 0.00% | 100.00% | 0.00% | -100.00% | |
| 32 | Functionalized General Plant (Ln 31 * General Plant) | - | - | - | - | - |
| 33 | Weighted MICHIGAN JURISDICTION Plant (Ln 30 + 32) | - | - | - | - | - |
| 34 | Functional Percentage (Ln 33/Total Ln 33) | 0.00% | 100.00% | 0.00% | | |
| | **INDIANA JURISDICTION** | | | | | |
| 35 | Net Plant in INDIANA JURISDICTION (Ln 24 - Ln 26) | - | 3,438,426,967 | - | 56,195,361 | 3,494,622,327 |
| 36 | Less: Net Value Exempted Generation Plant | | | | | |
| 37 | Taxable Property Basis | - | 3,438,426,967 | - | 56,195,361 | 3,494,622,327 |
| 38 | Relative Valuation Factor | | | | | |
| 39 | Weighted Net Plant (Ln 37 * Ln 38) | - | - | - | - | |
| 40 | General Plant Allocator (Ln 39 / (Total - General Plant) | 0.00% | 100.00% | 0.00% | -100.00% | |
| 41 | Functionalized General Plant (Ln 41 * General Plant) | - | - | - | - | |
| 42 | Weighted INDIANA JURISDICTION Plant (Ln 39 + 41) | - | - | - | - | - |
| 43 | Functional Percentage (Ln 42/Total Ln 42) | 0.00% | 100.00% | 0.00% | | |

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet H page 2 Form 1 Source Reference of Company Amounts on WS H
AEP Indiana Michigan Transmission 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 | 33 | | |
| | | | 33 | P.263 ln 12 (l) |

| | (A) "Real Estate and Personal Propety 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)** | | 41,281,241 | | | | 41,281,241 |
| 4 | Real and Personal Property - Michigan | | 15,870,039 | | | | 15,870,039 |
| | | 2019 | | 14,412 | P.263 ln 2 (l) | 100.00% | 14,412 |
| | | 2022 | | 663,926 | P.263 ln 2 (l) | 100.00% | 663,926 |
| | | 2023 | | 15,191,700 | P.263 ln 2 (l) | 100.00% | 15,191,700 |
| | | | | | | | - |
| | | | | | | | - |
| | | | | | | | - |
| 5 | Real and Personal Property - Indiana | | 25,411,202 | | | | 25,411,202 |
| | | 2023 | | (1,781,998) | P.263 ln 1 (l) | 100.00% | (1,781,998) |
| | | 2024 | | 27,193,200 | P.263 ln 1 (l) | 100.00% | 27,193,200 |
| | | | | | | | - |
| | | | | | | | - |
| | | | | | | | - |
| | | | | | | | - |
| 6 | Real and Personal Property - Tennessee | | - | | | | - |
| | | | | | | | - |
| | | | | | | | - |
| 7 | Real and Personal Property - Other Jurisdictions | | - | | | | - |
| | | | | | | | - |

| 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 ) | - | | |
| 10 | Federal Unemployment Tax | - | | |
| 11 | State Unemployment Insurance | - | | |
| 12 | *Line Left Deliberately Blank* | | | |
| 13 | State Severance Taxes | - | | |
| 14 | **Miscellaneous Taxes** | | | |
| 15 | State Business & Occupation Tax | - | | |
| 16 | State Public Service Commission Fees | - | | |
| 17 | State Franchise Taxes | - | | |
| 18 | State Lic/Registration Fee | - | | |
| 19 | Misc. State and Local Tax | - | | |
| 20 | Sales & Use | (247) | | |
| | | | (247) | P.263 ln 4 (l) |
| 21 | Federal Excise Tax | - | | |
| 22 | Michigan Single Business Tax | - | | |
| 23 | Total Taxes by Allocable Basis<br>(Total Company Amount Ties to FFI p.114, Ln 14,(c)) | 41,281,027 | 41,281,027 | |

Note 1: The taxes assessed on each transmission company can differ from year to year and between transmission 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 transmission 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 assesed. Real and Personal Property - Other Jurisdictions will be allocated using the Gross Plant Allocator from the applicable year..

# AEPTCo subsidiaries in PJM
# Cost of Service Formula Rate Using Actual/Projected FF1 Balances
# Worksheet I RESERVED
# AEP Indiana Michigan Transmission Company

**Reserved for Future Use**

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
AEP Indiana Michigan Transmission Company

Page of 10

## 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 138) | | | 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 True-Up TCOS, lns 136 through 138) | | | |
| | % | Cost | Weighted cost |
| Long Term Debt | 45.25% | 4.05% | 1.833% |
| Preferred Stock | 0.00% | 0.00% | 0.000% |
| Common Stock | 54.75% | 10.35% | 5.667% |
| | | R = | 7.499% |

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

| | |
|---|---|
| Rate Base (True-Up TCOS, ln 58) | 3,067,295,320 |
| R (fom A. above) | 7.499% |
| Return (Rate Base x R) | 230,026,322 |

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

| | |
|---|---|
| Return (from B. above) | 230,026,322 |
| Effective Tax Rate (TCOS, ln 97) | 25.11% |
| Income Tax Calculation (Return x CIT) | 57,754,217 |
| ITC Adjustment | - |
| Excess Deferred Income Tax | 1,543,358 |
| Tax Affect of Permanent Differences | 1,097,311 |
| Income Taxes | 60,394,886 |

## 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) | 483,364,277 |
| Lease Payments (TCOS, Lns 80) | - |
| Return (TCOS, ln 109) | 230,026,322 |
| Income Taxes (TCOS, ln 108) | 60,394,886 |
| Annual Revenue Requirement, Less Lease Payments, Return and Taxes | 192,943,069 |

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

| | |
|---|---|
| Annual Revenue Requirement, Less Lease Payments, Return and Taxes | 192,943,069 |
| Return (from I.B. above) | 230,026,322 |
| Income Taxes (from I.C. above) | 60,394,886 |
| Annual Revenue Requirement, with 0 Basis Point ROE increase | 483,364,277 |
| Depreciation (TCOS, ln 83) | 103,917,529 |
| Annual Rev. Req, w/ 0 Basis Point ROE increase, less Depreciation | 379,446,748 |

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

| | |
|---|---|
| Net Transmission Plant (Projected TCOS, ln 33) | 3,322,570,518 |
| Annual Revenue Requirement, with 0 Basis Point ROE increase | 483,364,277 |
| FCR with 0 Basis Point increase in ROE | 14.55% |
| | |
| Annual Rev. Req, w / 0 Basis Point ROE increase, less Dep. | 379,446,748 |
| FCR with 0 Basis Point ROE increase, less Depreciation | 11.42% |
| FCR less Depreciation (TCOS, ln 10) | 11.42% |
| Incremental FCR with 0 Basis Point ROE increase, less Depreciation | 0.00% |

## III. Calculation of Composite Depreciation Rate

| | |
|---|---|
| Average Transmission Plant Balance for 2024 TCOS, ln 19 | 3,770,420,762 |
| Annual Depreciation and Amortization Expense (TCOS, ln 83) | 103,917,529 |
| Composite Depreciation Rate | 2.76% |
| Depreciable Life for Composite Depreciation Rate | 36.28 |
| Average Life in Whole Years | 36 |

| SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEPPROJECTS | | | | |
|---|---|---|---|---|
| | | Rev Require | W Incentives | Incentive Amounts |
| TRUE-UP YEAR | 2024 | | | |
| | As Projected in Prior Year WS J | $ 49,922,055 | $ 49,922,055 | $ - |
| | Actual After True-up | $ 50,211,730 | $ 50,211,730 | $ - |
| | True-up of ARR For 2024 | 289,674 | 289,674 | - |

Note 1: Until AEP Indiana Michigan Transmission Company establishes Transmission plant in service the depreciation expense component of the carrying charge will be calculated as in the Operating Company formula approved in Docket No. ER08-1329. The calculation for AEP Indiana Michigan Transmission Company is shown on Worksheet P.

**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: b1465.4 (Make switching improvements at Sullivan and Jefferson 765 kV stations)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 676,467 | 676,467 | - |
| Prior Yr True-Up | 680,001 | 680,001 | - |
| True-Up Adjustment | 3,535 | 3,535 | - |

| Details | | | |
|---|---|---|---|
| Investment | 6,445,564 | Current Year | 2024 |
| Service Year (yyyy) | 2012 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 12 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 179,043 |

**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 ** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2012 | 6,445,564 | - | 6,445,564 | 6,445,564 | 736,101 | 736,101 | $ - | $ 655,786 | $ 99,630 | $ 655,786 | $ 99,630 | $ - |
| 2013 | 6,445,564 | 179,043 | 6,266,521 | 6,356,042 | 904,921 | 904,921 | $ - | $ 758,010 | $ 85,590 | $ 758,010 | $ 85,590 | $ - |
| 2014 | 6,266,521 | 179,043 | 6,087,477 | 6,176,999 | 884,474 | 884,474 | $ - | $ 735,370 | $ 97,252 | $ 735,370 | $ 97,252 | $ - |
| 2015 | 6,087,477 | 179,043 | 5,908,434 | 5,997,955 | 864,027 | 864,027 | $ - | $ 1,351,122 | $ (529,479) | $ 1,351,122 | $ (529,479) | $ - |
| 2016 | 5,908,434 | 179,043 | 5,729,390 | 5,818,912 | 843,579 | 843,579 | $ - | $ 758,565 | $ 85,014 | $ 758,565 | $ 85,014 | $ - |
| 2017 | 5,729,390 | 179,043 | 5,550,347 | 5,639,868 | 823,132 | 823,132 | $ - | $ 1,860,187 | $ (1,037,055) | $ 1,860,187 | $ (1,037,055) | $ - |
| 2018 | 5,550,347 | 179,043 | 5,371,303 | 5,460,825 | 802,685 | 802,685 | $ - | $ 1,592,956 | $ (790,271) | $ 1,592,956 | $ (790,271) | $ - |
| 2019 | 5,371,303 | 179,043 | 5,192,260 | 5,281,782 | 782,238 | 782,238 | $ - | $ 744,108 | $ 38,130 | $ 744,108 | $ 38,130 | $ - |
| 2020 | 5,192,260 | 179,043 | 5,013,216 | 5,102,738 | 761,790 | 761,790 | $ - | $ 752,420 | $ 9,370 | $ 752,420 | $ 9,370 | $ - |
| 2021 | 5,013,216 | 179,043 | 4,834,173 | 4,923,695 | 741,343 | 741,343 | $ - | $ 734,291 | $ 7,052 | $ 734,291 | $ 7,052 | $ - |
| 2022 | 4,834,173 | 179,043 | 4,655,130 | 4,744,651 | 720,896 | 720,896 | $ - | $ 742,755 | $ (21,859) | $ 742,755 | $ (21,859) | $ - |
| 2023 | 4,655,130 | 179,043 | 4,476,086 | 4,565,608 | 700,448 | 700,448 | $ - | $ 721,927 | $ (21,479) | $ 721,927 | $ (21,479) | $ - |
| 2024 | 4,476,086 | 179,043 | 4,297,043 | 4,386,564 | 680,001 | 680,001 | $ - | $ 676,467 | $ 3,535 | $ 676,467 | $ 3,535 | $ - |
| 2025 | 4,297,043 | 179,043 | 4,117,999 | 4,207,521 | 659,554 | 659,554 | $ - | | $ - | | $ - | $ - |
| 2026 | 4,117,999 | 179,043 | 3,938,956 | 4,028,477 | 639,107 | 639,107 | $ - | | $ - | | $ - | $ - |
| 2027 | 3,938,956 | 179,043 | 3,759,912 | 3,849,434 | 618,659 | 618,659 | $ - | | $ - | | $ - | $ - |
| 2028 | 3,759,912 | 179,043 | 3,580,869 | 3,670,391 | 598,212 | 598,212 | $ - | | $ - | | $ - | $ - |
| 2029 | 3,580,869 | 179,043 | 3,401,825 | 3,491,347 | 577,765 | 577,765 | $ - | | $ - | | $ - | $ - |
| 2030 | 3,401,825 | 179,043 | 3,222,782 | 3,312,304 | 557,318 | 557,318 | $ - | | $ - | | $ - | $ - |
| 2031 | 3,222,782 | 179,043 | 3,043,739 | 3,133,260 | 536,870 | 536,870 | $ - | | $ - | | $ - | $ - |
| 2032 | 3,043,739 | 179,043 | 2,864,695 | 2,954,217 | 516,423 | 516,423 | $ - | | $ - | | $ - | $ - |
| 2033 | 2,864,695 | 179,043 | 2,685,652 | 2,775,173 | 495,976 | 495,976 | $ - | | $ - | | $ - | $ - |
| 2034 | 2,685,652 | 179,043 | 2,506,608 | 2,596,130 | 475,529 | 475,529 | $ - | | $ - | | $ - | $ - |
| 2035 | 2,506,608 | 179,043 | 2,327,565 | 2,417,086 | 455,081 | 455,081 | $ - | | $ - | | $ - | $ - |
| 2036 | 2,327,565 | 179,043 | 2,148,521 | 2,238,043 | 434,634 | 434,634 | $ - | | $ - | | $ - | $ - |
| 2037 | 2,148,521 | 179,043 | 1,969,478 | 2,059,000 | 414,187 | 414,187 | $ - | | $ - | | $ - | $ - |
| 2038 | 1,969,478 | 179,043 | 1,790,434 | 1,879,956 | 393,740 | 393,740 | $ - | | $ - | | $ - | $ - |
| 2039 | 1,790,434 | 179,043 | 1,611,391 | 1,700,913 | 373,292 | 373,292 | $ - | | $ - | | $ - | $ - |
| 2040 | 1,611,391 | 179,043 | 1,432,348 | 1,521,869 | 352,845 | 352,845 | $ - | | $ - | | $ - | $ - |
| 2041 | 1,432,348 | 179,043 | 1,253,304 | 1,342,826 | 332,398 | 332,398 | $ - | | $ - | | $ - | $ - |
| 2042 | 1,253,304 | 179,043 | 1,074,261 | 1,163,782 | 311,951 | 311,951 | $ - | | $ - | | $ - | $ - |
| 2043 | 1,074,261 | 179,043 | 895,217 | 984,739 | 291,503 | 291,503 | $ - | | $ - | | $ - | $ - |
| 2044 | 895,217 | 179,043 | 716,174 | 805,695 | 271,056 | 271,056 | $ - | | $ - | | $ - | $ - |
| 2045 | 716,174 | 179,043 | 537,130 | 626,652 | 250,609 | 250,609 | $ - | | $ - | | $ - | $ - |
| 2046 | 537,130 | 179,043 | 358,087 | 447,609 | 230,162 | 230,162 | $ - | | $ - | | $ - | $ - |
| 2047 | 358,087 | 179,043 | 179,043 | 268,565 | 209,714 | 209,714 | $ - | | $ - | | $ - | $ - |
| 2048 | 179,043 | 179,043 | 0 | 89,522 | 189,267 | 189,267 | $ - | | $ - | | $ - | $ - |
| 2049 | 0 | 0 | - | 0 | 0 | 0 | $ - | | $ - | | $ - | $ - |
| 2050 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2051 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2052 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2053 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2054 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2055 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2056 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2057 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2058 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2059 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2060 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2061 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2062 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2063 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2064 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2065 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2066 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2067 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2068 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2069 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2070 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2071 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| Project Totals | | 6,445,564 | | | 20,431,488 | 20,431,488 | - | | | | | |

** 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



1

**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)**

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 1,626,092 | 1,626,092 | - |
| Prior Yr True-Up | 1,634,633 | 1,634,633 | - |
| True-Up Adjustment | 8,542 | 8,542 | - |

Details

| | | | |
|---|---|---|---|
| Investment | 15,264,784 | Current Year | 2024 |
| Service Year (yyyy) | 2013 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 6 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 424,022 |

**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 ** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2013 | 15,264,784 | 212,011 | 15,052,773 | 15,158,779 | 1,943,185 | 1,943,185 | $ - | $ 1,578,782 | $ 364,403 | $ 1,578,782 | $ 364,403 | $ - |
| 2014 | 15,052,773 | 424,022 | 14,628,751 | 14,840,762 | 2,118,878 | 2,118,878 | $ - | $ 1,735,811 | $ 383,067 | $ 1,735,811 | $ 383,067 | $ - |
| 2015 | 14,628,751 | 424,022 | 14,204,730 | 14,416,740 | 2,070,453 | 2,070,453 | $ - | $ 1,857,418 | $ 213,035 | $ 1,857,418 | $ 213,035 | $ - |
| 2016 | 14,204,730 | 424,022 | 13,780,708 | 13,992,719 | 2,022,029 | 2,022,029 | $ - | $ 1,808,629 | $ 213,400 | $ 1,808,629 | $ 213,400 | $ - |
| 2017 | 13,780,708 | 424,022 | 13,356,686 | 13,568,697 | 1,973,605 | 1,973,605 | $ - | $ 1,924,179 | $ 49,426 | $ 1,924,179 | $ 49,426 | $ - |
| 2018 | 13,356,686 | 424,022 | 12,932,664 | 13,144,675 | 1,925,180 | 1,925,180 | $ - | $ 1,648,242 | $ 276,938 | $ 1,648,242 | $ 276,938 | $ - |
| 2019 | 12,932,664 | 424,022 | 12,508,642 | 12,720,653 | 1,876,756 | 1,876,756 | $ - | $ 1,728,141 | $ 148,615 | $ 1,728,141 | $ 148,615 | $ - |
| 2020 | 12,508,642 | 424,022 | 12,084,621 | 12,296,632 | 1,828,331 | 1,828,331 | $ - | $ 1,748,229 | $ 80,102 | $ 1,748,229 | $ 80,102 | $ - |
| 2021 | 12,084,621 | 424,022 | 11,660,599 | 11,872,610 | 1,779,907 | 1,779,907 | $ - | $ 1,710,360 | $ 69,547 | $ 1,710,360 | $ 69,547 | $ - |
| 2022 | 11,660,599 | 424,022 | 11,236,577 | 11,448,588 | 1,731,482 | 1,731,482 | $ - | $ 1,732,120 | $ (637) | $ 1,732,120 | $ (637) | $ - |
| 2023 | 11,236,577 | 424,022 | 10,812,555 | 11,024,566 | 1,683,058 | 1,683,058 | $ - | $ 1,684,194 | $ (1,136) | $ 1,684,194 | $ (1,136) | $ - |
| 2024 | 10,812,555 | 424,022 | 10,388,534 | 10,600,544 | 1,634,633 | 1,634,633 | $ - | $ 1,626,092 | $ 8,542 | $ 1,626,092 | $ 8,542 | $ - |
| 2025 | 10,388,534 | 424,022 | 9,964,512 | 10,176,523 | 1,586,209 | 1,586,209 | $ - | | $ - | | $ - | $ - |
| 2026 | 9,964,512 | 424,022 | 9,540,490 | 9,752,501 | 1,537,784 | 1,537,784 | $ - | | $ - | | $ - | $ - |
| 2027 | 9,540,490 | 424,022 | 9,116,468 | 9,328,479 | 1,489,360 | 1,489,360 | $ - | | $ - | | $ - | $ - |
| 2028 | 9,116,468 | 424,022 | 8,692,446 | 8,904,457 | 1,440,935 | 1,440,935 | $ - | | $ - | | $ - | $ - |
| 2029 | 8,692,446 | 424,022 | 8,268,425 | 8,480,436 | 1,392,511 | 1,392,511 | $ - | | $ - | | $ - | $ - |
| 2030 | 8,268,425 | 424,022 | 7,844,403 | 8,056,414 | 1,344,087 | 1,344,087 | $ - | | $ - | | $ - | $ - |
| 2031 | 7,844,403 | 424,022 | 7,420,381 | 7,632,392 | 1,295,662 | 1,295,662 | $ - | | $ - | | $ - | $ - |
| 2032 | 7,420,381 | 424,022 | 6,996,359 | 7,208,370 | 1,247,238 | 1,247,238 | $ - | | $ - | | $ - | $ - |
| 2033 | 6,996,359 | 424,022 | 6,572,338 | 6,784,348 | 1,198,813 | 1,198,813 | $ - | | $ - | | $ - | $ - |
| 2034 | 6,572,338 | 424,022 | 6,148,316 | 6,360,327 | 1,150,389 | 1,150,389 | $ - | | $ - | | $ - | $ - |
| 2035 | 6,148,316 | 424,022 | 5,724,294 | 5,936,305 | 1,101,964 | 1,101,964 | $ - | | $ - | | $ - | $ - |
| 2036 | 5,724,294 | 424,022 | 5,300,272 | 5,512,283 | 1,053,540 | 1,053,540 | $ - | | $ - | | $ - | $ - |
| 2037 | 5,300,272 | 424,022 | 4,876,250 | 5,088,261 | 1,005,115 | 1,005,115 | $ - | | $ - | | $ - | $ - |
| 2038 | 4,876,250 | 424,022 | 4,452,229 | 4,664,240 | 956,691 | 956,691 | $ - | | $ - | | $ - | $ - |
| 2039 | 4,452,229 | 424,022 | 4,028,207 | 4,240,218 | 908,266 | 908,266 | $ - | | $ - | | $ - | $ - |
| 2040 | 4,028,207 | 424,022 | 3,604,185 | 3,816,196 | 859,842 | 859,842 | $ - | | $ - | | $ - | $ - |
| 2041 | 3,604,185 | 424,022 | 3,180,163 | 3,392,174 | 811,417 | 811,417 | $ - | | $ - | | $ - | $ - |
| 2042 | 3,180,163 | 424,022 | 2,756,142 | 2,968,152 | 762,993 | 762,993 | $ - | | $ - | | $ - | $ - |
| 2043 | 2,756,142 | 424,022 | 2,332,120 | 2,544,131 | 714,569 | 714,569 | $ - | | $ - | | $ - | $ - |
| 2044 | 2,332,120 | 424,022 | 1,908,098 | 2,120,109 | 666,144 | 666,144 | $ - | | $ - | | $ - | $ - |
| 2045 | 1,908,098 | 424,022 | 1,484,076 | 1,696,087 | 617,720 | 617,720 | $ - | | $ - | | $ - | $ - |
| 2046 | 1,484,076 | 424,022 | 1,060,054 | 1,272,065 | 569,295 | 569,295 | $ - | | $ - | | $ - | $ - |
| 2047 | 1,060,054 | 424,022 | 636,033 | 848,044 | 520,871 | 520,871 | $ - | | $ - | | $ - | $ - |
| 2048 | 636,033 | 424,022 | 212,011 | 424,022 | 472,446 | 472,446 | $ - | | $ - | | $ - | $ - |
| 2049 | 212,011 | 212,011 | - | 106,005 | 224,117 | 224,117 | $ - | | $ - | | $ - | $ - |
| 2050 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2051 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2052 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2053 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2054 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2055 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2056 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2057 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2058 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2059 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2060 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2061 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2062 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2063 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2064 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2065 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2066 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2067 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2068 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2069 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2070 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2071 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2072 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| Project Totals | | 15,264,784 | | | 47,515,475 | 47,515,475 | - | | | | | |

** 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: b2048 (Replace both Tanners Creek 345/138 kV transformers with one bigger transformer)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 627,583 | 627,583 | - |
| Prior Yr True-Up | 630,897 | 630,897 | - |
| True-Up Adjustment | 3,314 | 3,314 | - |

Details

| | | | |
|---|---|---|---|
| Investment | 5,805,543 | Current Year | 2024 |
| Service Year (yyyy) | 2013 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 12 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 161,265 |

**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 ** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2013 | 5,805,543 | - | 5,805,543 | 5,805,543 | 663,009 | 663,009 | $ - | $ 461,439 | $ 201,570 | $ 461,439 | $ 201,570 | $ - |
| 2014 | 5,805,543 | 161,265 | 5,644,278 | 5,724,910 | 815,066 | 815,066 | $ - | $ 626,067 | $ 188,999 | $ 626,067 | $ 188,999 | $ - |
| 2015 | 5,644,278 | 161,265 | 5,483,013 | 5,563,645 | 796,649 | 796,649 | $ - | $ 697,699 | $ 98,950 | $ 697,699 | $ 98,950 | $ - |
| 2016 | 5,483,013 | 161,265 | 5,321,748 | 5,402,380 | 778,232 | 778,232 | $ - | $ 692,483 | $ 85,749 | $ 692,483 | $ 85,749 | $ - |
| 2017 | 5,321,748 | 161,265 | 5,160,483 | 5,241,115 | 759,815 | 759,815 | $ - | $ 737,310 | $ 22,505 | $ 737,310 | $ 22,505 | $ - |
| 2018 | 5,160,483 | 161,265 | 4,999,218 | 5,079,850 | 741,398 | 741,398 | $ - | $ 631,912 | $ 109,486 | $ 631,912 | $ 109,486 | $ - |
| 2019 | 4,999,218 | 161,265 | 4,837,953 | 4,918,585 | 722,981 | 722,981 | $ - | $ 663,516 | $ 59,465 | $ 663,516 | $ 59,465 | $ - |
| 2020 | 4,837,953 | 161,265 | 4,676,687 | 4,757,320 | 704,564 | 704,564 | $ - | $ 671,525 | $ 33,039 | $ 671,525 | $ 33,039 | $ - |
| 2021 | 4,676,687 | 161,265 | 4,515,422 | 4,596,055 | 686,147 | 686,147 | $ - | $ 658,579 | $ 27,568 | $ 658,579 | $ 27,568 | $ - |
| 2022 | 4,515,422 | 161,265 | 4,354,157 | 4,434,790 | 667,730 | 667,730 | $ - | $ 667,726 | $ 4 | $ 667,726 | $ 4 | $ - |
| 2023 | 4,354,157 | 161,265 | 4,192,892 | 4,273,525 | 649,313 | 649,313 | $ - | $ 649,493 | $ (180) | $ 649,493 | $ (180) | $ - |
| 2024 | 4,192,892 | 161,265 | 4,031,627 | 4,112,260 | 630,897 | 630,897 | $ - | $ 627,583 | $ 3,314 | $ 627,583 | $ 3,314 | $ - |
| 2025 | 4,031,627 | 161,265 | 3,870,362 | 3,950,995 | 612,480 | 612,480 | $ - | | $ - | | $ - | $ - |
| 2026 | 3,870,362 | 161,265 | 3,709,097 | 3,789,729 | 594,063 | 594,063 | $ - | | $ - | | $ - | $ - |
| 2027 | 3,709,097 | 161,265 | 3,547,832 | 3,628,464 | 575,646 | 575,646 | $ - | | $ - | | $ - | $ - |
| 2028 | 3,547,832 | 161,265 | 3,386,567 | 3,467,199 | 557,229 | 557,229 | $ - | | $ - | | $ - | $ - |
| 2029 | 3,386,567 | 161,265 | 3,225,302 | 3,305,934 | 538,812 | 538,812 | $ - | | $ - | | $ - | $ - |
| 2030 | 3,225,302 | 161,265 | 3,064,037 | 3,144,669 | 520,395 | 520,395 | $ - | | $ - | | $ - | $ - |
| 2031 | 3,064,037 | 161,265 | 2,902,772 | 2,983,404 | 501,978 | 501,978 | $ - | | $ - | | $ - | $ - |
| 2032 | 2,902,772 | 161,265 | 2,741,506 | 2,822,139 | 483,561 | 483,561 | $ - | | $ - | | $ - | $ - |
| 2033 | 2,741,506 | 161,265 | 2,580,241 | 2,660,874 | 465,144 | 465,144 | $ - | | $ - | | $ - | $ - |
| 2034 | 2,580,241 | 161,265 | 2,418,976 | 2,499,609 | 446,727 | 446,727 | $ - | | $ - | | $ - | $ - |
| 2035 | 2,418,976 | 161,265 | 2,257,711 | 2,338,344 | 428,310 | 428,310 | $ - | | $ - | | $ - | $ - |
| 2036 | 2,257,711 | 161,265 | 2,096,446 | 2,177,079 | 409,893 | 409,893 | $ - | | $ - | | $ - | $ - |
| 2037 | 2,096,446 | 161,265 | 1,935,181 | 2,015,814 | 391,477 | 391,477 | $ - | | $ - | | $ - | $ - |
| 2038 | 1,935,181 | 161,265 | 1,773,916 | 1,854,548 | 373,060 | 373,060 | $ - | | $ - | | $ - | $ - |
| 2039 | 1,773,916 | 161,265 | 1,612,651 | 1,693,283 | 354,643 | 354,643 | $ - | | $ - | | $ - | $ - |
| 2040 | 1,612,651 | 161,265 | 1,451,386 | 1,532,018 | 336,226 | 336,226 | $ - | | $ - | | $ - | $ - |
| 2041 | 1,451,386 | 161,265 | 1,290,121 | 1,370,753 | 317,809 | 317,809 | $ - | | $ - | | $ - | $ - |
| 2042 | 1,290,121 | 161,265 | 1,128,856 | 1,209,488 | 299,392 | 299,392 | $ - | | $ - | | $ - | $ - |
| 2043 | 1,128,856 | 161,265 | 967,591 | 1,048,223 | 280,975 | 280,975 | $ - | | $ - | | $ - | $ - |
| 2044 | 967,591 | 161,265 | 806,325 | 886,958 | 262,558 | 262,558 | $ - | | $ - | | $ - | $ - |
| 2045 | 806,325 | 161,265 | 645,060 | 725,693 | 244,141 | 244,141 | $ - | | $ - | | $ - | $ - |
| 2046 | 645,060 | 161,265 | 483,795 | 564,428 | 225,724 | 225,724 | $ - | | $ - | | $ - | $ - |
| 2047 | 483,795 | 161,265 | 322,530 | 403,163 | 207,307 | 207,307 | $ - | | $ - | | $ - | $ - |
| 2048 | 322,530 | 161,265 | 161,265 | 241,898 | 188,890 | 188,890 | $ - | | $ - | | $ - | $ - |
| 2049 | 161,265 | 161,265 | 0 | 80,633 | 170,474 | 170,474 | $ - | | $ - | | $ - | $ - |
| 2050 | 0 | 0 | - | 0 | 0 | 0 | $ - | | $ - | | $ - | $ - |
| 2051 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2052 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2053 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2054 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2055 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2056 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2057 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2058 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2059 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2060 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2061 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2062 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2063 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2064 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2065 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2066 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2067 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2068 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2069 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2070 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2071 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2072 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| Project Totals | | 5,805,543 | | | 18,402,715 | 18,402,715 | - | | | | | |

** 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)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 6,707,066 | 6,707,066 | - |
| Prior Yr True-Up | 6,742,768 | 6,742,768 | - |
| True-Up Adjustment | 35,702 | 35,702 | - |

| Details | | | |
|---|---|---|---|
| Investment | 60,573,766 | Current Year | 2024 |
| Service Year (yyyy) | 2014 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 10 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 1,682,605 |

**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 | 60,573,766 | 280,434 | 60,293,332 | 60,433,549 | 7,182,113 | 7,182,113 | $ - | $ - | $ - | $ - | $ - | $ - |
| 2015 | 60,293,332 | 1,682,605 | 58,610,727 | 59,452,029 | 8,472,191 | 8,472,191 | $ - | $ 1,745,562 | $ 6,726,629 | $ 1,745,562 | $ 6,726,629 | $ - |
| 2016 | 58,610,727 | 1,682,605 | 56,928,122 | 57,769,425 | 8,280,033 | 8,280,033 | $ - | $ 1,596,924 | $ 6,683,109 | $ 1,596,924 | $ 6,683,109 | $ - |
| 2017 | 56,928,122 | 1,682,605 | 55,245,518 | 56,086,820 | 8,087,875 | 8,087,875 | $ - | $ 8,620,533 | $ (532,658) | $ 8,620,533 | $ (532,658) | $ - |
| 2018 | 55,245,518 | 1,682,605 | 53,562,913 | 54,404,216 | 7,895,717 | 7,895,717 | $ - | $ 6,863,859 | $ 1,031,858 | $ 6,863,859 | $ 1,031,858 | $ - |
| 2019 | 53,562,913 | 1,682,605 | 51,880,309 | 52,721,611 | 7,703,558 | 7,703,558 | $ - | $ 7,470,796 | $ 232,762 | $ 7,470,796 | $ 232,762 | $ - |
| 2020 | 51,880,309 | 1,682,605 | 50,197,704 | 51,039,006 | 7,511,400 | 7,511,400 | $ - | $ 7,563,744 | $ (52,343) | $ 7,563,744 | $ (52,343) | $ - |
| 2021 | 50,197,704 | 1,682,605 | 48,515,099 | 49,356,402 | 7,319,242 | 7,319,242 | $ - | $ 7,012,208 | $ 307,035 | $ 7,012,208 | $ 307,035 | $ - |
| 2022 | 48,515,099 | 1,682,605 | 46,832,495 | 47,673,797 | 7,127,084 | 7,127,084 | $ - | $ 7,122,749 | $ 4,335 | $ 7,122,749 | $ 4,335 | $ - |
| 2023 | 46,832,495 | 1,682,605 | 45,149,890 | 45,991,193 | 6,934,926 | 6,934,926 | $ - | $ 6,932,414 | $ 2,512 | $ 6,932,414 | $ 2,512 | $ - |
| 2024 | 45,149,890 | 1,682,605 | 43,467,286 | 44,308,588 | 6,742,768 | 6,742,768 | $ - | $ 6,707,066 | $ 35,702 | $ 6,707,066 | $ 35,702 | $ - |
| 2025 | 43,467,286 | 1,682,605 | 41,784,681 | 42,625,983 | 6,550,610 | 6,550,610 | $ - | | $ - | | $ - | $ - |
| 2026 | 41,784,681 | 1,682,605 | 40,102,076 | 40,943,379 | 6,358,452 | 6,358,452 | $ - | | $ - | | $ - | $ - |
| 2027 | 40,102,076 | 1,682,605 | 38,419,472 | 39,260,774 | 6,166,294 | 6,166,294 | $ - | | $ - | | $ - | $ - |
| 2028 | 38,419,472 | 1,682,605 | 36,736,867 | 37,578,170 | 5,974,136 | 5,974,136 | $ - | | $ - | | $ - | $ - |
| 2029 | 36,736,867 | 1,682,605 | 35,054,263 | 35,895,565 | 5,781,977 | 5,781,977 | $ - | | $ - | | $ - | $ - |
| 2030 | 35,054,263 | 1,682,605 | 33,371,658 | 34,212,960 | 5,589,819 | 5,589,819 | $ - | | $ - | | $ - | $ - |
| 2031 | 33,371,658 | 1,682,605 | 31,689,053 | 32,530,356 | 5,397,661 | 5,397,661 | $ - | | $ - | | $ - | $ - |
| 2032 | 31,689,053 | 1,682,605 | 30,006,449 | 30,847,751 | 5,205,503 | 5,205,503 | $ - | | $ - | | $ - | $ - |
| 2033 | 30,006,449 | 1,682,605 | 28,323,844 | 29,165,146 | 5,013,345 | 5,013,345 | $ - | | $ - | | $ - | $ - |
| 2034 | 28,323,844 | 1,682,605 | 26,641,240 | 27,482,542 | 4,821,187 | 4,821,187 | $ - | | $ - | | $ - | $ - |
| 2035 | 26,641,240 | 1,682,605 | 24,958,635 | 25,799,937 | 4,629,029 | 4,629,029 | $ - | | $ - | | $ - | $ - |
| 2036 | 24,958,635 | 1,682,605 | 23,276,030 | 24,117,333 | 4,436,871 | 4,436,871 | $ - | | $ - | | $ - | $ - |
| 2037 | 23,276,030 | 1,682,605 | 21,593,426 | 22,434,728 | 4,244,713 | 4,244,713 | $ - | | $ - | | $ - | $ - |
| 2038 | 21,593,426 | 1,682,605 | 19,910,821 | 20,752,123 | 4,052,555 | 4,052,555 | $ - | | $ - | | $ - | $ - |
| 2039 | 19,910,821 | 1,682,605 | 18,228,217 | 19,069,519 | 3,860,396 | 3,860,396 | $ - | | $ - | | $ - | $ - |
| 2040 | 18,228,217 | 1,682,605 | 16,545,612 | 17,386,914 | 3,668,238 | 3,668,238 | $ - | | $ - | | $ - | $ - |
| 2041 | 16,545,612 | 1,682,605 | 14,863,007 | 15,704,310 | 3,476,080 | 3,476,080 | $ - | | $ - | | $ - | $ - |
| 2042 | 14,863,007 | 1,682,605 | 13,180,403 | 14,021,705 | 3,283,922 | 3,283,922 | $ - | | $ - | | $ - | $ - |
| 2043 | 13,180,403 | 1,682,605 | 11,497,798 | 12,339,100 | 3,091,764 | 3,091,764 | $ - | | $ - | | $ - | $ - |
| 2044 | 11,497,798 | 1,682,605 | 9,815,194 | 10,656,496 | 2,899,606 | 2,899,606 | $ - | | $ - | | $ - | $ - |
| 2045 | 9,815,194 | 1,682,605 | 8,132,589 | 8,973,891 | 2,707,448 | 2,707,448 | $ - | | $ - | | $ - | $ - |
| 2046 | 8,132,589 | 1,682,605 | 6,449,984 | 7,291,287 | 2,515,290 | 2,515,290 | $ - | | $ - | | $ - | $ - |
| 2047 | 6,449,984 | 1,682,605 | 4,767,380 | 5,608,682 | 2,323,132 | 2,323,132 | $ - | | $ - | | $ - | $ - |
| 2048 | 4,767,380 | 1,682,605 | 3,084,775 | 3,926,077 | 2,130,974 | 2,130,974 | $ - | | $ - | | $ - | $ - |
| 2049 | 3,084,775 | 1,682,605 | 1,402,171 | 2,243,473 | 1,938,815 | 1,938,815 | $ - | | $ - | | $ - | $ - |
| 2050 | 1,402,171 | 1,402,171 | - | 701,085 | 1,482,236 | 1,482,236 | $ - | | $ - | | $ - | $ - |
| 2051 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2052 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2053 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2054 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2055 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2056 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2057 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2058 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2059 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2060 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2061 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2062 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2063 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2064 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2065 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2066 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2067 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2068 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2069 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2070 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2071 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2072 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2073 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| Project Totals | | 60,573,766 | | | 190,856,959 | 190,856,959 | - | | | | | |

** 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)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 11,497,037 | 11,497,037 | - |
| Prior Yr True-Up | 11,559,164 | 11,559,164 | - |
| True-Up Adjustment | 62,127 | 62,127 | - |

| Details | | | |
|---|---|---|---|
| Investment | 99,133,366 | Current Year | 2024 |
| Service Year (yyyy) | 2016 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 6 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 2,753,705 |

**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 | 99,133,366 | 1,376,852 | 97,756,514 | 98,444,940 | 12,619,537 | 12,619,537 | $ - | $ 8,211,582 | $ 4,407,955 | $ 8,211,582 | $ 4,407,955 | $ - |
| 2017 | 97,756,514 | 2,753,705 | 95,002,809 | 96,379,662 | 13,760,529 | 13,760,529 | $ - | $ 9,400,319 | $ 4,360,210 | $ 9,400,319 | $ 4,360,210 | $ - |
| 2018 | 95,002,809 | 2,753,705 | 92,249,105 | 93,625,957 | 13,446,048 | 13,446,048 | $ - | $ 11,231,831 | $ 2,214,217 | $ 11,231,831 | $ 2,214,217 | $ - |
| 2019 | 92,249,105 | 2,753,705 | 89,495,400 | 90,872,252 | 13,131,567 | 13,131,567 | $ - | $ 11,864,825 | $ 1,266,742 | $ 11,864,825 | $ 1,266,742 | $ - |
| 2020 | 89,495,400 | 2,753,705 | 86,741,696 | 88,118,548 | 12,817,087 | 12,817,087 | $ - | $ 12,033,066 | $ 784,021 | $ 12,033,066 | $ 784,021 | $ - |
| 2021 | 86,741,696 | 2,753,705 | 83,987,991 | 85,364,843 | 12,502,606 | 12,502,606 | $ - | $ 11,936,441 | $ 566,165 | $ 11,936,441 | $ 566,165 | $ - |
| 2022 | 83,987,991 | 2,753,705 | 81,234,286 | 82,611,139 | 12,188,125 | 12,188,125 | $ - | $ 12,166,987 | $ 21,138 | $ 12,166,987 | $ 21,138 | $ - |
| 2023 | 81,234,286 | 2,753,705 | 78,480,582 | 79,857,434 | 11,873,645 | 11,873,645 | $ - | $ 11,855,171 | $ 18,474 | $ 11,855,171 | $ 18,474 | $ - |
| 2024 | 78,480,582 | 2,753,705 | 75,726,877 | 77,103,729 | 11,559,164 | 11,559,164 | $ - | $ 11,497,037 | $ 62,127 | $ 11,497,037 | $ 62,127 | $ - |
| 2025 | 75,726,877 | 2,753,705 | 72,973,172 | 74,350,025 | 11,244,683 | 11,244,683 | $ - | | $ - | | $ - | $ - |
| 2026 | 72,973,172 | 2,753,705 | 70,219,468 | 71,596,320 | 10,930,203 | 10,930,203 | $ - | | $ - | | $ - | $ - |
| 2027 | 70,219,468 | 2,753,705 | 67,465,763 | 68,842,615 | 10,615,722 | 10,615,722 | $ - | | $ - | | $ - | $ - |
| 2028 | 67,465,763 | 2,753,705 | 64,712,059 | 66,088,911 | 10,301,241 | 10,301,241 | $ - | | $ - | | $ - | $ - |
| 2029 | 64,712,059 | 2,753,705 | 61,958,354 | 63,335,206 | 9,986,760 | 9,986,760 | $ - | | $ - | | $ - | $ - |
| 2030 | 61,958,354 | 2,753,705 | 59,204,649 | 60,581,502 | 9,672,280 | 9,672,280 | $ - | | $ - | | $ - | $ - |
| 2031 | 59,204,649 | 2,753,705 | 56,450,945 | 57,827,797 | 9,357,799 | 9,357,799 | $ - | | $ - | | $ - | $ - |
| 2032 | 56,450,945 | 2,753,705 | 53,697,240 | 55,074,092 | 9,043,318 | 9,043,318 | $ - | | $ - | | $ - | $ - |
| 2033 | 53,697,240 | 2,753,705 | 50,943,535 | 52,320,388 | 8,728,838 | 8,728,838 | $ - | | $ - | | $ - | $ - |
| 2034 | 50,943,535 | 2,753,705 | 48,189,831 | 49,566,683 | 8,414,357 | 8,414,357 | $ - | | $ - | | $ - | $ - |
| 2035 | 48,189,831 | 2,753,705 | 45,436,126 | 46,812,979 | 8,099,876 | 8,099,876 | $ - | | $ - | | $ - | $ - |
| 2036 | 45,436,126 | 2,753,705 | 42,682,422 | 44,059,274 | 7,785,396 | 7,785,396 | $ - | | $ - | | $ - | $ - |
| 2037 | 42,682,422 | 2,753,705 | 39,928,717 | 41,305,569 | 7,470,915 | 7,470,915 | $ - | | $ - | | $ - | $ - |
| 2038 | 39,928,717 | 2,753,705 | 37,175,012 | 38,551,865 | 7,156,434 | 7,156,434 | $ - | | $ - | | $ - | $ - |
| 2039 | 37,175,012 | 2,753,705 | 34,421,308 | 35,798,160 | 6,841,954 | 6,841,954 | $ - | | $ - | | $ - | $ - |
| 2040 | 34,421,308 | 2,753,705 | 31,667,603 | 33,044,455 | 6,527,473 | 6,527,473 | $ - | | $ - | | $ - | $ - |
| 2041 | 31,667,603 | 2,753,705 | 28,913,899 | 30,290,751 | 6,212,992 | 6,212,992 | $ - | | $ - | | $ - | $ - |
| 2042 | 28,913,899 | 2,753,705 | 26,160,194 | 27,537,046 | 5,898,511 | 5,898,511 | $ - | | $ - | | $ - | $ - |
| 2043 | 26,160,194 | 2,753,705 | 23,406,489 | 24,783,342 | 5,584,031 | 5,584,031 | $ - | | $ - | | $ - | $ - |
| 2044 | 23,406,489 | 2,753,705 | 20,652,785 | 22,029,637 | 5,269,550 | 5,269,550 | $ - | | $ - | | $ - | $ - |
| 2045 | 20,652,785 | 2,753,705 | 17,899,080 | 19,275,932 | 4,955,069 | 4,955,069 | $ - | | $ - | | $ - | $ - |
| 2046 | 17,899,080 | 2,753,705 | 15,145,375 | 16,522,228 | 4,640,589 | 4,640,589 | $ - | | $ - | | $ - | $ - |
| 2047 | 15,145,375 | 2,753,705 | 12,391,671 | 13,768,523 | 4,326,108 | 4,326,108 | $ - | | $ - | | $ - | $ - |
| 2048 | 12,391,671 | 2,753,705 | 9,637,966 | 11,014,818 | 4,011,627 | 4,011,627 | $ - | | $ - | | $ - | $ - |
| 2049 | 9,637,966 | 2,753,705 | 6,884,262 | 8,261,114 | 3,697,147 | 3,697,147 | $ - | | $ - | | $ - | $ - |
| 2050 | 6,884,262 | 2,753,705 | 4,130,557 | 5,507,409 | 3,382,666 | 3,382,666 | $ - | | $ - | | $ - | $ - |
| 2051 | 4,130,557 | 2,753,705 | 1,376,852 | 2,753,705 | 3,068,185 | 3,068,185 | $ - | | $ - | | $ - | $ - |
| 2052 | 1,376,852 | 1,376,852 | - | 688,426 | 1,455,472 | 1,455,472 | $ - | | $ - | | $ - | $ - |
| 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 | | 99,133,366 | | | 308,577,504 | 308,577,504 | - | | | | | |

** 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 (Sorenson: Add 765/345 kV transformer and all connection work)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 6,138,204 | 6,138,204 | - |
| Prior Yr True-Up | 6,171,513 | 6,171,513 | - |
| True-Up Adjustment | 33,309 | 33,309 | - |

Details

| | | | |
|---|---|---|---|
| Investment | 52,217,632 | Current Year | 2024 |
| Service Year (yyyy) | 2016 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 12 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 1,450,490 |

**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 | 52,217,632 | - | 52,217,632 | 52,217,632 | 5,963,398 | 5,963,398 | $ - | $ 5,279,934 | $ 683,464 | $ 5,279,934 | $ 683,464 | $ - |
| 2017 | 52,217,632 | 1,450,490 | 50,767,142 | 51,492,387 | 7,331,063 | 7,331,063 | $ - | $ 5,667,478 | $ 1,663,585 | $ 5,667,478 | $ 1,663,585 | $ - |
| 2018 | 50,767,142 | 1,450,490 | 49,316,652 | 50,041,897 | 7,165,413 | 7,165,413 | $ - | $ 4,860,385 | $ 2,305,028 | $ 4,860,385 | $ 2,305,028 | $ - |
| 2019 | 49,316,652 | 1,450,490 | 47,866,162 | 48,591,407 | 6,999,763 | 6,999,763 | $ - | $ 6,293,605 | $ 706,158 | $ 6,293,605 | $ 706,158 | $ - |
| 2020 | 47,866,162 | 1,450,490 | 46,415,673 | 47,140,918 | 6,834,113 | 6,834,113 | $ - | $ 6,439,771 | $ 394,342 | $ 6,439,771 | $ 394,342 | $ - |
| 2021 | 46,415,673 | 1,450,490 | 44,965,183 | 45,690,428 | 6,668,463 | 6,668,463 | $ - | $ 6,395,009 | $ 273,454 | $ 6,395,009 | $ 273,454 | $ - |
| 2022 | 44,965,183 | 1,450,490 | 43,514,693 | 44,239,938 | 6,502,813 | 6,502,813 | $ - | $ 6,489,460 | $ 13,353 | $ 6,489,460 | $ 13,353 | $ - |
| 2023 | 43,514,693 | 1,450,490 | 42,064,203 | 42,789,448 | 6,337,163 | 6,337,163 | $ - | $ 6,325,163 | $ 12,000 | $ 6,325,163 | $ 12,000 | $ - |
| 2024 | 42,064,203 | 1,450,490 | 40,613,714 | 41,338,959 | 6,171,513 | 6,171,513 | $ - | $ 6,138,204 | $ 33,309 | $ 6,138,204 | $ 33,309 | $ - |
| 2025 | 40,613,714 | 1,450,490 | 39,163,224 | 39,888,469 | 6,005,863 | 6,005,863 | $ - | | $ - | | $ - | $ - |
| 2026 | 39,163,224 | 1,450,490 | 37,712,734 | 38,437,979 | 5,840,213 | 5,840,213 | $ - | | $ - | | $ - | $ - |
| 2027 | 37,712,734 | 1,450,490 | 36,262,244 | 36,987,489 | 5,674,563 | 5,674,563 | $ - | | $ - | | $ - | $ - |
| 2028 | 36,262,244 | 1,450,490 | 34,811,755 | 35,536,999 | 5,508,913 | 5,508,913 | $ - | | $ - | | $ - | $ - |
| 2029 | 34,811,755 | 1,450,490 | 33,361,265 | 34,086,510 | 5,343,264 | 5,343,264 | $ - | | $ - | | $ - | $ - |
| 2030 | 33,361,265 | 1,450,490 | 31,910,775 | 32,636,020 | 5,177,614 | 5,177,614 | $ - | | $ - | | $ - | $ - |
| 2031 | 31,910,775 | 1,450,490 | 30,460,285 | 31,185,530 | 5,011,964 | 5,011,964 | $ - | | $ - | | $ - | $ - |
| 2032 | 30,460,285 | 1,450,490 | 29,009,795 | 29,735,040 | 4,846,314 | 4,846,314 | $ - | | $ - | | $ - | $ - |
| 2033 | 29,009,795 | 1,450,490 | 27,559,306 | 28,284,551 | 4,680,664 | 4,680,664 | $ - | | $ - | | $ - | $ - |
| 2034 | 27,559,306 | 1,450,490 | 26,108,816 | 26,834,061 | 4,515,014 | 4,515,014 | $ - | | $ - | | $ - | $ - |
| 2035 | 26,108,816 | 1,450,490 | 24,658,326 | 25,383,571 | 4,349,364 | 4,349,364 | $ - | | $ - | | $ - | $ - |
| 2036 | 24,658,326 | 1,450,490 | 23,207,836 | 23,933,081 | 4,183,714 | 4,183,714 | $ - | | $ - | | $ - | $ - |
| 2037 | 23,207,836 | 1,450,490 | 21,757,347 | 22,482,591 | 4,018,064 | 4,018,064 | $ - | | $ - | | $ - | $ - |
| 2038 | 21,757,347 | 1,450,490 | 20,306,857 | 21,032,102 | 3,852,414 | 3,852,414 | $ - | | $ - | | $ - | $ - |
| 2039 | 20,306,857 | 1,450,490 | 18,856,367 | 19,581,612 | 3,686,764 | 3,686,764 | $ - | | $ - | | $ - | $ - |
| 2040 | 18,856,367 | 1,450,490 | 17,405,877 | 18,131,122 | 3,521,114 | 3,521,114 | $ - | | $ - | | $ - | $ - |
| 2041 | 17,405,877 | 1,450,490 | 15,955,387 | 16,680,632 | 3,355,464 | 3,355,464 | $ - | | $ - | | $ - | $ - |
| 2042 | 15,955,387 | 1,450,490 | 14,504,898 | 15,230,143 | 3,189,814 | 3,189,814 | $ - | | $ - | | $ - | $ - |
| 2043 | 14,504,898 | 1,450,490 | 13,054,408 | 13,779,653 | 3,024,164 | 3,024,164 | $ - | | $ - | | $ - | $ - |
| 2044 | 13,054,408 | 1,450,490 | 11,603,918 | 12,329,163 | 2,858,514 | 2,858,514 | $ - | | $ - | | $ - | $ - |
| 2045 | 11,603,918 | 1,450,490 | 10,153,428 | 10,878,673 | 2,692,864 | 2,692,864 | $ - | | $ - | | $ - | $ - |
| 2046 | 10,153,428 | 1,450,490 | 8,702,939 | 9,428,184 | 2,527,214 | 2,527,214 | $ - | | $ - | | $ - | $ - |
| 2047 | 8,702,939 | 1,450,490 | 7,252,449 | 7,977,694 | 2,361,564 | 2,361,564 | $ - | | $ - | | $ - | $ - |
| 2048 | 7,252,449 | 1,450,490 | 5,801,959 | 6,527,204 | 2,195,915 | 2,195,915 | $ - | | $ - | | $ - | $ - |
| 2049 | 5,801,959 | 1,450,490 | 4,351,469 | 5,076,714 | 2,030,265 | 2,030,265 | $ - | | $ - | | $ - | $ - |
| 2050 | 4,351,469 | 1,450,490 | 2,900,980 | 3,626,224 | 1,864,615 | 1,864,615 | $ - | | $ - | | $ - | $ - |
| 2051 | 2,900,980 | 1,450,490 | 1,450,490 | 2,175,735 | 1,698,965 | 1,698,965 | $ - | | $ - | | $ - | $ - |
| 2052 | 1,450,490 | 1,450,490 | - | 725,245 | 1,533,315 | 1,533,315 | $ - | | $ - | | $ - | $ - |
| 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 | | 52,217,632 | | | 165,522,195 | 165,522,195 | - | | | | | |

** 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: b1659.13 (Sorenson: Expansion work to establish 765 kV site)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 5,894,290 | 5,894,290 | - |
| Prior Yr True-Up | 5,926,276 | 5,926,276 | - |
| True-Up Adjustment | 31,986 | 31,986 | - |

Details

| | | | |
|---|---|---|---|
| Investment | 50,142,658 | Current Year | 2024 |
| Service Year (yyyy) | 2016 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 12 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 1,392,852 |

**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 | 50,142,658 | - | 50,142,658 | 50,142,658 | 5,726,430 | 5,726,430 | $ - | $ 4,514,116 | $ 1,212,314 | $ 4,514,116 | $ 1,212,314 | $ - |
| 2017 | 50,142,658 | 1,392,852 | 48,749,807 | 49,446,233 | 7,039,748 | 7,039,748 | $ - | $ 7,261,914 | $ (222,166) | $ 7,261,914 | $ (222,166) | $ - |
| 2018 | 48,749,807 | 1,392,852 | 47,356,955 | 48,053,381 | 6,880,681 | 6,880,681 | $ - | $ 5,720,037 | $ 1,160,644 | $ 5,720,037 | $ 1,160,644 | $ - |
| 2019 | 47,356,955 | 1,392,852 | 45,964,104 | 46,660,529 | 6,721,613 | 6,721,613 | $ - | $ 6,058,461 | $ 663,152 | $ 6,058,461 | $ 663,152 | $ - |
| 2020 | 45,964,104 | 1,392,852 | 44,571,252 | 45,267,678 | 6,562,546 | 6,562,546 | $ - | $ 6,143,740 | $ 418,806 | $ 6,143,740 | $ 418,806 | $ - |
| 2021 | 44,571,252 | 1,392,852 | 43,178,400 | 43,874,826 | 6,403,478 | 6,403,478 | $ - | $ 6,107,453 | $ 296,026 | $ 6,107,453 | $ 296,026 | $ - |
| 2022 | 43,178,400 | 1,392,852 | 41,785,549 | 42,481,974 | 6,244,411 | 6,244,411 | $ - | $ 6,231,588 | $ 12,823 | $ 6,231,588 | $ 12,823 | $ - |
| 2023 | 41,785,549 | 1,392,852 | 40,392,697 | 41,089,123 | 6,085,343 | 6,085,343 | $ - | $ 6,073,820 | $ 11,524 | $ 6,073,820 | $ 11,524 | $ - |
| 2024 | 40,392,697 | 1,392,852 | 38,999,845 | 39,696,271 | 5,926,276 | 5,926,276 | $ - | $ 5,894,290 | $ 31,986 | $ 5,894,290 | $ 31,986 | $ - |
| 2025 | 38,999,845 | 1,392,852 | 37,606,994 | 38,303,420 | 5,767,208 | 5,767,208 | $ - | | $ - | | $ - | $ - |
| 2026 | 37,606,994 | 1,392,852 | 36,214,142 | 36,910,568 | 5,608,141 | 5,608,141 | $ - | | $ - | | $ - | $ - |
| 2027 | 36,214,142 | 1,392,852 | 34,821,291 | 35,517,716 | 5,449,073 | 5,449,073 | $ - | | $ - | | $ - | $ - |
| 2028 | 34,821,291 | 1,392,852 | 33,428,439 | 34,124,865 | 5,290,006 | 5,290,006 | $ - | | $ - | | $ - | $ - |
| 2029 | 33,428,439 | 1,392,852 | 32,035,587 | 32,732,013 | 5,130,938 | 5,130,938 | $ - | | $ - | | $ - | $ - |
| 2030 | 32,035,587 | 1,392,852 | 30,642,736 | 31,339,162 | 4,971,871 | 4,971,871 | $ - | | $ - | | $ - | $ - |
| 2031 | 30,642,736 | 1,392,852 | 29,249,884 | 29,946,310 | 4,812,803 | 4,812,803 | $ - | | $ - | | $ - | $ - |
| 2032 | 29,249,884 | 1,392,852 | 27,857,032 | 28,553,458 | 4,653,736 | 4,653,736 | $ - | | $ - | | $ - | $ - |
| 2033 | 27,857,032 | 1,392,852 | 26,464,181 | 27,160,607 | 4,494,668 | 4,494,668 | $ - | | $ - | | $ - | $ - |
| 2034 | 26,464,181 | 1,392,852 | 25,071,329 | 25,767,755 | 4,335,601 | 4,335,601 | $ - | | $ - | | $ - | $ - |
| 2035 | 25,071,329 | 1,392,852 | 23,678,478 | 24,374,903 | 4,176,533 | 4,176,533 | $ - | | $ - | | $ - | $ - |
| 2036 | 23,678,478 | 1,392,852 | 22,285,626 | 22,982,052 | 4,017,466 | 4,017,466 | $ - | | $ - | | $ - | $ - |
| 2037 | 22,285,626 | 1,392,852 | 20,892,774 | 21,589,200 | 3,858,398 | 3,858,398 | $ - | | $ - | | $ - | $ - |
| 2038 | 20,892,774 | 1,392,852 | 19,499,923 | 20,196,349 | 3,699,331 | 3,699,331 | $ - | | $ - | | $ - | $ - |
| 2039 | 19,499,923 | 1,392,852 | 18,107,071 | 18,803,497 | 3,540,263 | 3,540,263 | $ - | | $ - | | $ - | $ - |
| 2040 | 18,107,071 | 1,392,852 | 16,714,219 | 17,410,645 | 3,381,195 | 3,381,195 | $ - | | $ - | | $ - | $ - |
| 2041 | 16,714,219 | 1,392,852 | 15,321,368 | 16,017,794 | 3,222,128 | 3,222,128 | $ - | | $ - | | $ - | $ - |
| 2042 | 15,321,368 | 1,392,852 | 13,928,516 | 14,624,942 | 3,063,060 | 3,063,060 | $ - | | $ - | | $ - | $ - |
| 2043 | 13,928,516 | 1,392,852 | 12,535,665 | 13,232,090 | 2,903,993 | 2,903,993 | $ - | | $ - | | $ - | $ - |
| 2044 | 12,535,665 | 1,392,852 | 11,142,813 | 11,839,239 | 2,744,925 | 2,744,925 | $ - | | $ - | | $ - | $ - |
| 2045 | 11,142,813 | 1,392,852 | 9,749,961 | 10,446,387 | 2,585,858 | 2,585,858 | $ - | | $ - | | $ - | $ - |
| 2046 | 9,749,961 | 1,392,852 | 8,357,110 | 9,053,536 | 2,426,790 | 2,426,790 | $ - | | $ - | | $ - | $ - |
| 2047 | 8,357,110 | 1,392,852 | 6,964,258 | 7,660,684 | 2,267,723 | 2,267,723 | $ - | | $ - | | $ - | $ - |
| 2048 | 6,964,258 | 1,392,852 | 5,571,406 | 6,267,832 | 2,108,655 | 2,108,655 | $ - | | $ - | | $ - | $ - |
| 2049 | 5,571,406 | 1,392,852 | 4,178,555 | 4,874,981 | 1,949,588 | 1,949,588 | $ - | | $ - | | $ - | $ - |
| 2050 | 4,178,555 | 1,392,852 | 2,785,703 | 3,482,129 | 1,790,520 | 1,790,520 | $ - | | $ - | | $ - | $ - |
| 2051 | 2,785,703 | 1,392,852 | 1,392,852 | 2,089,277 | 1,631,453 | 1,631,453 | $ - | | $ - | | $ - | $ - |
| 2052 | 1,392,852 | 1,392,852 | - | 696,426 | 1,472,385 | 1,472,385 | $ - | | $ - | | $ - | $ - |
| 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 | | 50,142,658 | | | 158,944,835 | 158,944,835 | - | | | | | |

** 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 (Sorenson: Approx. 14 miles of 765 kV line from existing Dumont-Marysville line)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 7,344,080 | 7,344,080 | - |
| Prior Yr True-Up | 7,383,933 | 7,383,933 | - |
| True-Up Adjustment | 39,853 | 39,853 | - |

| Details | | | |
|---|---|---|---|
| Investment | 62,476,006 | Current Year | 2024 |
| Service Year (yyyy) | 2016 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 12 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 1,735,445 |

**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 | 62,476,006 | - | 62,476,006 | 62,476,006 | 7,134,933 | 7,134,933 | $ - | $ 5,764,647 | $ 1,370,286 | $ 5,764,647 | $ 1,370,286 | $ - |
| 2017 | 62,476,006 | 1,735,445 | 60,740,562 | 61,608,284 | 8,771,281 | 8,771,281 | $ - | $ 7,201,236 | $ 1,570,045 | $ 7,201,236 | $ 1,570,045 | $ - |
| 2018 | 60,740,562 | 1,735,445 | 59,005,117 | 59,872,839 | 8,573,089 | 8,573,089 | $ - | $ 7,115,546 | $ 1,457,543 | $ 7,115,546 | $ 1,457,543 | $ - |
| 2019 | 59,005,117 | 1,735,445 | 57,269,672 | 58,137,395 | 8,374,896 | 8,374,896 | $ - | $ 7,533,264 | $ 841,632 | $ 7,533,264 | $ 841,632 | $ - |
| 2020 | 57,269,672 | 1,735,445 | 55,534,228 | 56,401,950 | 8,176,703 | 8,176,703 | $ - | $ 4,004,463 | $ 4,172,241 | $ 4,004,463 | $ 4,172,241 | $ - |
| 2021 | 55,534,228 | 1,735,445 | 53,798,783 | 54,666,505 | 7,978,511 | 7,978,511 | $ - | $ 7,598,317 | $ 380,194 | $ 7,598,317 | $ 380,194 | $ - |
| 2022 | 53,798,783 | 1,735,445 | 52,063,339 | 52,931,061 | 7,780,318 | 7,780,318 | $ - | $ 7,752,754 | $ 27,564 | $ 7,752,754 | $ 27,564 | $ - |
| 2023 | 52,063,339 | 1,735,445 | 50,327,894 | 51,195,616 | 7,582,126 | 7,582,126 | $ - | $ 7,567,768 | $ 14,358 | $ 7,567,768 | $ 14,358 | $ - |
| 2024 | 50,327,894 | 1,735,445 | 48,592,449 | 49,460,172 | 7,383,933 | 7,383,933 | $ - | $ 7,344,080 | $ 39,853 | $ 7,344,080 | $ 39,853 | $ - |
| 2025 | 48,592,449 | 1,735,445 | 46,857,005 | 47,724,727 | 7,185,741 | 7,185,741 | $ - | | $ - | | $ - | $ - |
| 2026 | 46,857,005 | 1,735,445 | 45,121,560 | 45,989,282 | 6,987,548 | 6,987,548 | $ - | | $ - | | $ - | $ - |
| 2027 | 45,121,560 | 1,735,445 | 43,386,115 | 44,253,838 | 6,789,355 | 6,789,355 | $ - | | $ - | | $ - | $ - |
| 2028 | 43,386,115 | 1,735,445 | 41,650,671 | 42,518,393 | 6,591,163 | 6,591,163 | $ - | | $ - | | $ - | $ - |
| 2029 | 41,650,671 | 1,735,445 | 39,915,226 | 40,782,948 | 6,392,970 | 6,392,970 | $ - | | $ - | | $ - | $ - |
| 2030 | 39,915,226 | 1,735,445 | 38,179,782 | 39,047,504 | 6,194,778 | 6,194,778 | $ - | | $ - | | $ - | $ - |
| 2031 | 38,179,782 | 1,735,445 | 36,444,337 | 37,312,059 | 5,996,585 | 5,996,585 | $ - | | $ - | | $ - | $ - |
| 2032 | 36,444,337 | 1,735,445 | 34,708,892 | 35,576,615 | 5,798,392 | 5,798,392 | $ - | | $ - | | $ - | $ - |
| 2033 | 34,708,892 | 1,735,445 | 32,973,448 | 33,841,170 | 5,600,200 | 5,600,200 | $ - | | $ - | | $ - | $ - |
| 2034 | 32,973,448 | 1,735,445 | 31,238,003 | 32,105,725 | 5,402,007 | 5,402,007 | $ - | | $ - | | $ - | $ - |
| 2035 | 31,238,003 | 1,735,445 | 29,502,558 | 30,370,281 | 5,203,815 | 5,203,815 | $ - | | $ - | | $ - | $ - |
| 2036 | 29,502,558 | 1,735,445 | 27,767,114 | 28,634,836 | 5,005,622 | 5,005,622 | $ - | | $ - | | $ - | $ - |
| 2037 | 27,767,114 | 1,735,445 | 26,031,669 | 26,899,392 | 4,807,430 | 4,807,430 | $ - | | $ - | | $ - | $ - |
| 2038 | 26,031,669 | 1,735,445 | 24,296,225 | 25,163,947 | 4,609,237 | 4,609,237 | $ - | | $ - | | $ - | $ - |
| 2039 | 24,296,225 | 1,735,445 | 22,560,780 | 23,428,502 | 4,411,044 | 4,411,044 | $ - | | $ - | | $ - | $ - |
| 2040 | 22,560,780 | 1,735,445 | 20,825,335 | 21,693,058 | 4,212,852 | 4,212,852 | $ - | | $ - | | $ - | $ - |
| 2041 | 20,825,335 | 1,735,445 | 19,089,891 | 19,957,613 | 4,014,659 | 4,014,659 | $ - | | $ - | | $ - | $ - |
| 2042 | 19,089,891 | 1,735,445 | 17,354,446 | 18,222,168 | 3,816,467 | 3,816,467 | $ - | | $ - | | $ - | $ - |
| 2043 | 17,354,446 | 1,735,445 | 15,619,002 | 16,486,724 | 3,618,274 | 3,618,274 | $ - | | $ - | | $ - | $ - |
| 2044 | 15,619,002 | 1,735,445 | 13,883,557 | 14,751,279 | 3,420,082 | 3,420,082 | $ - | | $ - | | $ - | $ - |
| 2045 | 13,883,557 | 1,735,445 | 12,148,112 | 13,015,835 | 3,221,889 | 3,221,889 | $ - | | $ - | | $ - | $ - |
| 2046 | 12,148,112 | 1,735,445 | 10,412,668 | 11,280,390 | 3,023,696 | 3,023,696 | $ - | | $ - | | $ - | $ - |
| 2047 | 10,412,668 | 1,735,445 | 8,677,223 | 9,544,945 | 2,825,504 | 2,825,504 | $ - | | $ - | | $ - | $ - |
| 2048 | 8,677,223 | 1,735,445 | 6,941,778 | 7,809,501 | 2,627,311 | 2,627,311 | $ - | | $ - | | $ - | $ - |
| 2049 | 6,941,778 | 1,735,445 | 5,206,334 | 6,074,056 | 2,429,119 | 2,429,119 | $ - | | $ - | | $ - | $ - |
| 2050 | 5,206,334 | 1,735,445 | 3,470,889 | 4,338,612 | 2,230,926 | 2,230,926 | $ - | | $ - | | $ - | $ - |
| 2051 | 3,470,889 | 1,735,445 | 1,735,445 | 2,603,167 | 2,032,733 | 2,032,733 | $ - | | $ - | | $ - | $ - |
| 2052 | 1,735,445 | 1,735,445 | - | 867,722 | 1,834,541 | 1,834,541 | $ - | | $ - | | $ - | $ - |
| 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 | | 62,476,006 | | | 198,039,729 | 198,039,729 | - | | | | | |

** 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: b1465.1 (Add a 3rd 2250 MVA 765/345 kV transformer at Sullivan station)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 3,874,550 | 3,874,550 | - |
| Prior Yr True-Up | 3,895,689 | 3,895,689 | - |
| True-Up Adjustment | 21,140 | 21,140 | - |

Details

| | | | |
|---|---|---|---|
| Investment | 32,382,268 | Current Year | 2024 |
| Service Year (yyyy) | 2017 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 8 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 899,507 |

**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 | 32,382,268 | 299,836 | 32,082,433 | 32,232,351 | 3,980,859 | 3,980,859 | $ - | $ 3,283,917 | $ 696,942 | $ 3,283,917 | $ 696,942 | $ - |
| 2018 | 32,082,433 | 899,507 | 31,182,925 | 31,632,679 | 4,512,047 | 4,512,047 | $ - | $ 3,670,194 | $ 841,853 | $ 3,670,194 | $ 841,853 | $ - |
| 2019 | 31,182,925 | 899,507 | 30,283,418 | 30,733,171 | 4,409,321 | 4,409,321 | $ - | $ 3,932,147 | $ 477,174 | $ 3,932,147 | $ 477,174 | $ - |
| 2020 | 30,283,418 | 899,507 | 29,383,910 | 29,833,664 | 4,306,594 | 4,306,594 | $ - | $ 4,014,941 | $ 291,654 | $ 4,014,941 | $ 291,654 | $ - |
| 2021 | 29,383,910 | 899,507 | 28,484,403 | 28,934,156 | 4,203,868 | 4,203,868 | $ - | $ 4,001,666 | $ 202,202 | $ 4,001,666 | $ 202,202 | $ - |
| 2022 | 28,484,403 | 899,507 | 27,584,895 | 28,034,649 | 4,101,142 | 4,101,142 | $ - | $ 4,088,252 | $ 12,890 | $ 4,088,252 | $ 12,890 | $ - |
| 2023 | 27,584,895 | 899,507 | 26,685,388 | 27,135,142 | 3,998,416 | 3,998,416 | $ - | $ 3,989,097 | $ 9,319 | $ 3,989,097 | $ 9,319 | $ - |
| 2024 | 26,685,388 | 899,507 | 25,785,880 | 26,235,634 | 3,895,689 | 3,895,689 | $ - | $ 3,874,550 | $ 21,140 | $ 3,874,550 | $ 21,140 | $ - |
| 2025 | 25,785,880 | 899,507 | 24,886,373 | 25,336,127 | 3,792,963 | 3,792,963 | $ - | | $ - | | $ - | $ - |
| 2026 | 24,886,373 | 899,507 | 23,986,865 | 24,436,619 | 3,690,237 | 3,690,237 | $ - | | $ - | | $ - | $ - |
| 2027 | 23,986,865 | 899,507 | 23,087,358 | 23,537,112 | 3,587,511 | 3,587,511 | $ - | | $ - | | $ - | $ - |
| 2028 | 23,087,358 | 899,507 | 22,187,851 | 22,637,604 | 3,484,785 | 3,484,785 | $ - | | $ - | | $ - | $ - |
| 2029 | 22,187,851 | 899,507 | 21,288,343 | 21,738,097 | 3,382,058 | 3,382,058 | $ - | | $ - | | $ - | $ - |
| 2030 | 21,288,343 | 899,507 | 20,388,836 | 20,838,589 | 3,279,332 | 3,279,332 | $ - | | $ - | | $ - | $ - |
| 2031 | 20,388,836 | 899,507 | 19,489,328 | 19,939,082 | 3,176,606 | 3,176,606 | $ - | | $ - | | $ - | $ - |
| 2032 | 19,489,328 | 899,507 | 18,589,821 | 19,039,574 | 3,073,880 | 3,073,880 | $ - | | $ - | | $ - | $ - |
| 2033 | 18,589,821 | 899,507 | 17,690,313 | 18,140,067 | 2,971,153 | 2,971,153 | $ - | | $ - | | $ - | $ - |
| 2034 | 17,690,313 | 899,507 | 16,790,806 | 17,240,560 | 2,868,427 | 2,868,427 | $ - | | $ - | | $ - | $ - |
| 2035 | 16,790,806 | 899,507 | 15,891,298 | 16,341,052 | 2,765,701 | 2,765,701 | $ - | | $ - | | $ - | $ - |
| 2036 | 15,891,298 | 899,507 | 14,991,791 | 15,441,545 | 2,662,975 | 2,662,975 | $ - | | $ - | | $ - | $ - |
| 2037 | 14,991,791 | 899,507 | 14,092,283 | 14,542,037 | 2,560,248 | 2,560,248 | $ - | | $ - | | $ - | $ - |
| 2038 | 14,092,283 | 899,507 | 13,192,776 | 13,642,530 | 2,457,522 | 2,457,522 | $ - | | $ - | | $ - | $ - |
| 2039 | 13,192,776 | 899,507 | 12,293,269 | 12,743,022 | 2,354,796 | 2,354,796 | $ - | | $ - | | $ - | $ - |
| 2040 | 12,293,269 | 899,507 | 11,393,761 | 11,843,515 | 2,252,070 | 2,252,070 | $ - | | $ - | | $ - | $ - |
| 2041 | 11,393,761 | 899,507 | 10,494,254 | 10,944,007 | 2,149,343 | 2,149,343 | $ - | | $ - | | $ - | $ - |
| 2042 | 10,494,254 | 899,507 | 9,594,746 | 10,044,500 | 2,046,617 | 2,046,617 | $ - | | $ - | | $ - | $ - |
| 2043 | 9,594,746 | 899,507 | 8,695,239 | 9,144,992 | 1,943,891 | 1,943,891 | $ - | | $ - | | $ - | $ - |
| 2044 | 8,695,239 | 899,507 | 7,795,731 | 8,245,485 | 1,841,165 | 1,841,165 | $ - | | $ - | | $ - | $ - |
| 2045 | 7,795,731 | 899,507 | 6,896,224 | 7,345,978 | 1,738,438 | 1,738,438 | $ - | | $ - | | $ - | $ - |
| 2046 | 6,896,224 | 899,507 | 5,996,716 | 6,446,470 | 1,635,712 | 1,635,712 | $ - | | $ - | | $ - | $ - |
| 2047 | 5,996,716 | 899,507 | 5,097,209 | 5,546,963 | 1,532,986 | 1,532,986 | $ - | | $ - | | $ - | $ - |
| 2048 | 5,097,209 | 899,507 | 4,197,701 | 4,647,455 | 1,430,260 | 1,430,260 | $ - | | $ - | | $ - | $ - |
| 2049 | 4,197,701 | 899,507 | 3,298,194 | 3,747,948 | 1,327,533 | 1,327,533 | $ - | | $ - | | $ - | $ - |
| 2050 | 3,298,194 | 899,507 | 2,398,687 | 2,848,440 | 1,224,807 | 1,224,807 | $ - | | $ - | | $ - | $ - |
| 2051 | 2,398,687 | 899,507 | 1,499,179 | 1,948,933 | 1,122,081 | 1,122,081 | $ - | | $ - | | $ - | $ - |
| 2052 | 1,499,179 | 899,507 | 599,672 | 1,049,425 | 1,019,355 | 1,019,355 | $ - | | $ - | | $ - | $ - |
| 2053 | 599,672 | 599,672 | - | 299,836 | 633,914 | 633,914 | $ - | | $ - | | $ - | $ - |
| 2054 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2055 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2056 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2057 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2058 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2059 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2060 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2061 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2062 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2063 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2064 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2065 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2066 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2067 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2068 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2069 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2070 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2071 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2072 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2073 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2074 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2075 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2076 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| Project Totals | | 32,382,268 | | | 101,414,302 | 101,414,302 | - | | | | | |

** 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



1

**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 (Switching Improvements at Sullivan Jefferson 765kV stations)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | **977,375** | **977,375** | - |
| Prior Yr True-Up | **980,428** | **980,428** | - |
| True-Up Adjustment | **3,054** | **3,054** | **-** |

Details

| | | | | |
|---|---|---|---|---|
| Investment | 8,427,428 | Current Year | | 2024 |
| Service Year (yyyy) | 2016 | ROE increase accepted by FERC (Basis Points) | | - |
| Service Month (1-12) | 5 | FCR w/o incentives, less depreciation | | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | | 234,095 |

**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 | 8,427,428 | 136,556 | 8,290,872 | 8,359,150 | 1,091,194 | 1,091,194 | $ - | $ - | $ - | $ - | $ - | $ - |
| 2017 | 8,290,872 | 234,095 | 8,056,777 | 8,173,825 | 1,167,569 | 1,167,569 | $ - | $ - | $ - | $ - | $ - | $ - |
| 2018 | 8,056,777 | 234,095 | 7,822,682 | 7,939,730 | 1,140,834 | 1,140,834 | $ - | $ - | $ - | $ - | $ - | $ - |
| 2019 | 7,822,682 | 234,095 | 7,588,587 | 7,705,634 | 1,114,100 | 1,114,100 | $ - | $ 1,008,642 | $ 105,458 | $ 1,008,642 | $ 105,458 | $ - |
| 2020 | 7,588,587 | 234,095 | 7,354,492 | 7,471,539 | 1,087,366 | 1,087,366 | $ - | $ 1,022,943 | $ 64,423 | $ 1,022,943 | $ 64,423 | $ - |
| 2021 | 7,354,492 | 234,095 | 7,120,396 | 7,237,444 | 1,060,631 | 1,060,631 | $ - | $ 1,014,729 | $ 45,902 | $ 1,014,729 | $ 45,902 | $ - |
| 2022 | 7,120,396 | 234,095 | 6,886,301 | 7,003,349 | 1,033,897 | 1,033,897 | $ - | $ 1,034,328 | $ (431) | $ 1,034,328 | $ (431) | $ - |
| 2023 | 6,886,301 | 234,095 | 6,652,206 | 6,769,254 | 1,007,163 | 1,007,163 | $ - | $ 1,007,820 | $ (657) | $ 1,007,820 | $ (657) | $ - |
| 2024 | 6,652,206 | 234,095 | 6,418,111 | 6,535,158 | 980,428 | 980,428 | $ - | $ 977,375 | $ 3,054 | $ 977,375 | $ 3,054 | $ - |
| 2025 | 6,418,111 | 234,095 | 6,184,015 | 6,301,063 | 953,694 | 953,694 | $ - | | $ - | | $ - | $ - |
| 2026 | 6,184,015 | 234,095 | 5,949,920 | 6,066,968 | 926,960 | 926,960 | $ - | | $ - | | $ - | $ - |
| 2027 | 5,949,920 | 234,095 | 5,715,825 | 5,832,873 | 900,225 | 900,225 | $ - | | $ - | | $ - | $ - |
| 2028 | 5,715,825 | 234,095 | 5,481,730 | 5,598,777 | 873,491 | 873,491 | $ - | | $ - | | $ - | $ - |
| 2029 | 5,481,730 | 234,095 | 5,247,635 | 5,364,682 | 846,757 | 846,757 | $ - | | $ - | | $ - | $ - |
| 2030 | 5,247,635 | 234,095 | 5,013,539 | 5,130,587 | 820,022 | 820,022 | $ - | | $ - | | $ - | $ - |
| 2031 | 5,013,539 | 234,095 | 4,779,444 | 4,896,492 | 793,288 | 793,288 | $ - | | $ - | | $ - | $ - |
| 2032 | 4,779,444 | 234,095 | 4,545,349 | 4,662,397 | 766,554 | 766,554 | $ - | | $ - | | $ - | $ - |
| 2033 | 4,545,349 | 234,095 | 4,311,254 | 4,428,301 | 739,819 | 739,819 | $ - | | $ - | | $ - | $ - |
| 2034 | 4,311,254 | 234,095 | 4,077,158 | 4,194,206 | 713,085 | 713,085 | $ - | | $ - | | $ - | $ - |
| 2035 | 4,077,158 | 234,095 | 3,843,063 | 3,960,111 | 686,351 | 686,351 | $ - | | $ - | | $ - | $ - |
| 2036 | 3,843,063 | 234,095 | 3,608,968 | 3,726,016 | 659,617 | 659,617 | $ - | | $ - | | $ - | $ - |
| 2037 | 3,608,968 | 234,095 | 3,374,873 | 3,491,920 | 632,882 | 632,882 | $ - | | $ - | | $ - | $ - |
| 2038 | 3,374,873 | 234,095 | 3,140,778 | 3,257,825 | 606,148 | 606,148 | $ - | | $ - | | $ - | $ - |
| 2039 | 3,140,778 | 234,095 | 2,906,682 | 3,023,730 | 579,414 | 579,414 | $ - | | $ - | | $ - | $ - |
| 2040 | 2,906,682 | 234,095 | 2,672,587 | 2,789,635 | 552,679 | 552,679 | $ - | | $ - | | $ - | $ - |
| 2041 | 2,672,587 | 234,095 | 2,438,492 | 2,555,540 | 525,945 | 525,945 | $ - | | $ - | | $ - | $ - |
| 2042 | 2,438,492 | 234,095 | 2,204,397 | 2,321,444 | 499,211 | 499,211 | $ - | | $ - | | $ - | $ - |
| 2043 | 2,204,397 | 234,095 | 1,970,301 | 2,087,349 | 472,476 | 472,476 | $ - | | $ - | | $ - | $ - |
| 2044 | 1,970,301 | 234,095 | 1,736,206 | 1,853,254 | 445,742 | 445,742 | $ - | | $ - | | $ - | $ - |
| 2045 | 1,736,206 | 234,095 | 1,502,111 | 1,619,159 | 419,008 | 419,008 | $ - | | $ - | | $ - | $ - |
| 2046 | 1,502,111 | 234,095 | 1,268,016 | 1,385,063 | 392,273 | 392,273 | $ - | | $ - | | $ - | $ - |
| 2047 | 1,268,016 | 234,095 | 1,033,921 | 1,150,968 | 365,539 | 365,539 | $ - | | $ - | | $ - | $ - |
| 2048 | 1,033,921 | 234,095 | 799,825 | 916,873 | 338,805 | 338,805 | $ - | | $ - | | $ - | $ - |
| 2049 | 799,825 | 234,095 | 565,730 | 682,778 | 312,070 | 312,070 | $ - | | $ - | | $ - | $ - |
| 2050 | 565,730 | 234,095 | 331,635 | 448,683 | 285,336 | 285,336 | $ - | | $ - | | $ - | $ - |
| 2051 | 331,635 | 234,095 | 97,540 | 214,587 | 258,602 | 258,602 | $ - | | $ - | | $ - | $ - |
| 2052 | 97,540 | 97,540 | - | 48,770 | 103,109 | 103,109 | $ - | | $ - | | $ - | $ - |
| 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 | | 8,427,428 | | | 26,152,284 | 26,152,284 | - | | | | | |

** 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.**

**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: b2777 (Reconductor the entire Dequine - Eugene 345 kV circuit #1)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 3,172,731 | 3,172,731 | - |
| Prior Yr True-Up | 3,236,355 | 3,236,355 | - |
| True-Up Adjustment | 63,624 | 63,624 | - |

Details

| | | | |
|---|---|---|---|
| Investment | 23,907,195 | Current Year | 2024 |
| Service Year (yyyy) | 2022 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 5 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 664,089 |

**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 ** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2022 | 23,907,195 | 387,385 | 23,519,810 | 23,713,502 | 3,095,533 | 3,095,533 | $ - | $ - | $ - | $ - | $ - | $ - |
| 2023 | 23,519,810 | 664,089 | 22,855,721 | 23,187,765 | 3,312,196 | 3,312,196 | $ - | $ 2,656,999 | $ 655,197 | $ 2,656,999 | $ 655,197 | $ - |
| 2024 | 22,855,721 | 664,089 | 22,191,632 | 22,523,677 | 3,236,355 | 3,236,355 | $ - | $ 3,172,731 | $ 63,624 | $ 3,172,731 | $ 63,624 | $ - |
| 2025 | 22,191,632 | 664,089 | 21,527,543 | 21,859,588 | 3,160,514 | 3,160,514 | $ - | | $ - | | $ - | $ - |
| 2026 | 21,527,543 | 664,089 | 20,863,455 | 21,195,499 | 3,084,673 | 3,084,673 | $ - | | $ - | | $ - | $ - |
| 2027 | 20,863,455 | 664,089 | 20,199,366 | 20,531,410 | 3,008,833 | 3,008,833 | $ - | | $ - | | $ - | $ - |
| 2028 | 20,199,366 | 664,089 | 19,535,277 | 19,867,322 | 2,932,992 | 2,932,992 | $ - | | $ - | | $ - | $ - |
| 2029 | 19,535,277 | 664,089 | 18,871,188 | 19,203,233 | 2,857,151 | 2,857,151 | $ - | | $ - | | $ - | $ - |
| 2030 | 18,871,188 | 664,089 | 18,207,100 | 18,539,144 | 2,781,310 | 2,781,310 | $ - | | $ - | | $ - | $ - |
| 2031 | 18,207,100 | 664,089 | 17,543,011 | 17,875,055 | 2,705,470 | 2,705,470 | $ - | | $ - | | $ - | $ - |
| 2032 | 17,543,011 | 664,089 | 16,878,922 | 17,210,967 | 2,629,629 | 2,629,629 | $ - | | $ - | | $ - | $ - |
| 2033 | 16,878,922 | 664,089 | 16,214,834 | 16,546,878 | 2,553,788 | 2,553,788 | $ - | | $ - | | $ - | $ - |
| 2034 | 16,214,834 | 664,089 | 15,550,745 | 15,882,789 | 2,477,947 | 2,477,947 | $ - | | $ - | | $ - | $ - |
| 2035 | 15,550,745 | 664,089 | 14,886,656 | 15,218,700 | 2,402,106 | 2,402,106 | $ - | | $ - | | $ - | $ - |
| 2036 | 14,886,656 | 664,089 | 14,222,567 | 14,554,612 | 2,326,266 | 2,326,266 | $ - | | $ - | | $ - | $ - |
| 2037 | 14,222,567 | 664,089 | 13,558,479 | 13,890,523 | 2,250,425 | 2,250,425 | $ - | | $ - | | $ - | $ - |
| 2038 | 13,558,479 | 664,089 | 12,894,390 | 13,226,434 | 2,174,584 | 2,174,584 | $ - | | $ - | | $ - | $ - |
| 2039 | 12,894,390 | 664,089 | 12,230,301 | 12,562,345 | 2,098,743 | 2,098,743 | $ - | | $ - | | $ - | $ - |
| 2040 | 12,230,301 | 664,089 | 11,566,212 | 11,898,257 | 2,022,903 | 2,022,903 | $ - | | $ - | | $ - | $ - |
| 2041 | 11,566,212 | 664,089 | 10,902,124 | 11,234,168 | 1,947,062 | 1,947,062 | $ - | | $ - | | $ - | $ - |
| 2042 | 10,902,124 | 664,089 | 10,238,035 | 10,570,079 | 1,871,221 | 1,871,221 | $ - | | $ - | | $ - | $ - |
| 2043 | 10,238,035 | 664,089 | 9,573,946 | 9,905,990 | 1,795,380 | 1,795,380 | $ - | | $ - | | $ - | $ - |
| 2044 | 9,573,946 | 664,089 | 8,909,857 | 9,241,902 | 1,719,539 | 1,719,539 | $ - | | $ - | | $ - | $ - |
| 2045 | 8,909,857 | 664,089 | 8,245,769 | 8,577,813 | 1,643,699 | 1,643,699 | $ - | | $ - | | $ - | $ - |
| 2046 | 8,245,769 | 664,089 | 7,581,680 | 7,913,724 | 1,567,858 | 1,567,858 | $ - | | $ - | | $ - | $ - |
| 2047 | 7,581,680 | 664,089 | 6,917,591 | 7,249,635 | 1,492,017 | 1,492,017 | $ - | | $ - | | $ - | $ - |
| 2048 | 6,917,591 | 664,089 | 6,253,502 | 6,585,547 | 1,416,176 | 1,416,176 | $ - | | $ - | | $ - | $ - |
| 2049 | 6,253,502 | 664,089 | 5,589,414 | 5,921,458 | 1,340,336 | 1,340,336 | $ - | | $ - | | $ - | $ - |
| 2050 | 5,589,414 | 664,089 | 4,925,325 | 5,257,369 | 1,264,495 | 1,264,495 | $ - | | $ - | | $ - | $ - |
| 2051 | 4,925,325 | 664,089 | 4,261,236 | 4,593,280 | 1,188,654 | 1,188,654 | $ - | | $ - | | $ - | $ - |
| 2052 | 4,261,236 | 664,089 | 3,597,147 | 3,929,192 | 1,112,813 | 1,112,813 | $ - | | $ - | | $ - | $ - |
| 2053 | 3,597,147 | 664,089 | 2,933,059 | 3,265,103 | 1,036,973 | 1,036,973 | $ - | | $ - | | $ - | $ - |
| 2054 | 2,933,059 | 664,089 | 2,268,970 | 2,601,014 | 961,132 | 961,132 | $ - | | $ - | | $ - | $ - |
| 2055 | 2,268,970 | 664,089 | 1,604,881 | 1,936,926 | 885,291 | 885,291 | $ - | | $ - | | $ - | $ - |
| 2056 | 1,604,881 | 664,089 | 940,792 | 1,272,837 | 809,450 | 809,450 | $ - | | $ - | | $ - | $ - |
| 2057 | 940,792 | 664,089 | 276,704 | 608,748 | 733,609 | 733,609 | $ - | | $ - | | $ - | $ - |
| 2058 | 276,704 | 276,704 | - | 138,352 | 292,504 | 292,504 | $ - | | $ - | | $ - | $ - |
| 2059 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2060 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2061 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2062 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2063 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2064 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2065 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2066 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2067 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2068 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2069 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2070 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2071 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2072 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2073 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2074 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2075 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2076 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2077 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2078 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2079 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2080 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2081 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| Project Totals | | 23,907,195 | | | 74,189,627 | 74,189,627 | - | | | | | |

** 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.**

**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: b1034.4 (Rebuild/reconductor the Sunnyside - Torrey 138kV line)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 790,849 | 790,849 | - |
| Prior Yr True-Up | 780,641 | 780,641 | - |
| True-Up Adjustment | (10,208) | (10,208) | - |

| Details | | | |
|---|---|---|---|
| Investment | 6,028,988 | Current Year | 2024 |
| Service Year (yyyy) | 2024 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 5 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 167,472 |

**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 ** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2024 | 6,028,988 | 97,692 | 5,931,296 | 5,980,142 | 780,641 | 780,641 | $ - | $ 790,849 | $ (10,208) | $ 790,849 | $ (10,208) | $ - |
| 2025 | 5,931,296 | 167,472 | 5,763,824 | 5,847,560 | 835,279 | 835,279 | $ - | | $ - | | $ - | $ - |
| 2026 | 5,763,824 | 167,472 | 5,596,352 | 5,680,088 | 816,154 | 816,154 | $ - | | $ - | | $ - | $ - |
| 2027 | 5,596,352 | 167,472 | 5,428,880 | 5,512,616 | 797,028 | 797,028 | $ - | | $ - | | $ - | $ - |
| 2028 | 5,428,880 | 167,472 | 5,261,408 | 5,345,144 | 777,902 | 777,902 | $ - | | $ - | | $ - | $ - |
| 2029 | 5,261,408 | 167,472 | 5,093,936 | 5,177,672 | 758,776 | 758,776 | $ - | | $ - | | $ - | $ - |
| 2030 | 5,093,936 | 167,472 | 4,926,464 | 5,010,200 | 739,651 | 739,651 | $ - | | $ - | | $ - | $ - |
| 2031 | 4,926,464 | 167,472 | 4,758,993 | 4,842,729 | 720,525 | 720,525 | $ - | | $ - | | $ - | $ - |
| 2032 | 4,758,993 | 167,472 | 4,591,521 | 4,675,257 | 701,399 | 701,399 | $ - | | $ - | | $ - | $ - |
| 2033 | 4,591,521 | 167,472 | 4,424,049 | 4,507,785 | 682,273 | 682,273 | $ - | | $ - | | $ - | $ - |
| 2034 | 4,424,049 | 167,472 | 4,256,577 | 4,340,313 | 663,148 | 663,148 | $ - | | $ - | | $ - | $ - |
| 2035 | 4,256,577 | 167,472 | 4,089,105 | 4,172,841 | 644,022 | 644,022 | $ - | | $ - | | $ - | $ - |
| 2036 | 4,089,105 | 167,472 | 3,921,633 | 4,005,369 | 624,896 | 624,896 | $ - | | $ - | | $ - | $ - |
| 2037 | 3,921,633 | 167,472 | 3,754,161 | 3,837,897 | 605,770 | 605,770 | $ - | | $ - | | $ - | $ - |
| 2038 | 3,754,161 | 167,472 | 3,586,689 | 3,670,425 | 586,645 | 586,645 | $ - | | $ - | | $ - | $ - |
| 2039 | 3,586,689 | 167,472 | 3,419,218 | 3,502,953 | 567,519 | 567,519 | $ - | | $ - | | $ - | $ - |
| 2040 | 3,419,218 | 167,472 | 3,251,746 | 3,335,482 | 548,393 | 548,393 | $ - | | $ - | | $ - | $ - |
| 2041 | 3,251,746 | 167,472 | 3,084,274 | 3,168,010 | 529,267 | 529,267 | $ - | | $ - | | $ - | $ - |
| 2042 | 3,084,274 | 167,472 | 2,916,802 | 3,000,538 | 510,142 | 510,142 | $ - | | $ - | | $ - | $ - |
| 2043 | 2,916,802 | 167,472 | 2,749,330 | 2,833,066 | 491,016 | 491,016 | $ - | | $ - | | $ - | $ - |
| 2044 | 2,749,330 | 167,472 | 2,581,858 | 2,665,594 | 471,890 | 471,890 | $ - | | $ - | | $ - | $ - |
| 2045 | 2,581,858 | 167,472 | 2,414,386 | 2,498,122 | 452,764 | 452,764 | $ - | | $ - | | $ - | $ - |
| 2046 | 2,414,386 | 167,472 | 2,246,914 | 2,330,650 | 433,639 | 433,639 | $ - | | $ - | | $ - | $ - |
| 2047 | 2,246,914 | 167,472 | 2,079,443 | 2,163,178 | 414,513 | 414,513 | $ - | | $ - | | $ - | $ - |
| 2048 | 2,079,443 | 167,472 | 1,911,971 | 1,995,707 | 395,387 | 395,387 | $ - | | $ - | | $ - | $ - |
| 2049 | 1,911,971 | 167,472 | 1,744,499 | 1,828,235 | 376,261 | 376,261 | $ - | | $ - | | $ - | $ - |
| 2050 | 1,744,499 | 167,472 | 1,577,027 | 1,660,763 | 357,136 | 357,136 | $ - | | $ - | | $ - | $ - |
| 2051 | 1,577,027 | 167,472 | 1,409,555 | 1,493,291 | 338,010 | 338,010 | $ - | | $ - | | $ - | $ - |
| 2052 | 1,409,555 | 167,472 | 1,242,083 | 1,325,819 | 318,884 | 318,884 | $ - | | $ - | | $ - | $ - |
| 2053 | 1,242,083 | 167,472 | 1,074,611 | 1,158,347 | 299,758 | 299,758 | $ - | | $ - | | $ - | $ - |
| 2054 | 1,074,611 | 167,472 | 907,139 | 990,875 | 280,633 | 280,633 | $ - | | $ - | | $ - | $ - |
| 2055 | 907,139 | 167,472 | 739,667 | 823,403 | 261,507 | 261,507 | $ - | | $ - | | $ - | $ - |
| 2056 | 739,667 | 167,472 | 572,196 | 655,932 | 242,381 | 242,381 | $ - | | $ - | | $ - | $ - |
| 2057 | 572,196 | 167,472 | 404,724 | 488,460 | 223,255 | 223,255 | $ - | | $ - | | $ - | $ - |
| 2058 | 404,724 | 167,472 | 237,252 | 320,988 | 204,130 | 204,130 | $ - | | $ - | | $ - | $ - |
| 2059 | 237,252 | 167,472 | 69,780 | 153,516 | 185,004 | 185,004 | $ - | | $ - | | $ - | $ - |
| 2060 | 69,780 | 69,780 | - | 34,890 | 73,764 | 73,764 | $ - | | $ - | | $ - | $ - |
| 2061 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2062 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2063 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2064 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2065 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2066 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2067 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2068 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2069 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2070 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2071 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2072 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2073 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2074 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2075 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2076 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2077 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2078 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2079 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2080 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2081 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2082 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2083 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| Project Totals | | 6,028,988 | | | 18,709,361 | 18,709,361 | - | | | | | |

** 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.**

**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: b2776 (Reconductor the entire Dequine - Meadow Lake 345 kV circuit #2)

| 2024 | Rev Require | W Incentives | Incentive Amounts |
|---|---|---|---|
| Prior Yr Projected | 595,733 | 595,733 | - |
| Prior Yr True-Up | 589,431 | 589,431 | - |
| True-Up Adjustment | (6,302) | (6,302) | - |

| Details | | | |
|---|---|---|---|
| Investment | 4,552,254 | Current Year | 2024 |
| Service Year (yyyy) | 2024 | ROE increase accepted by FERC (Basis Points) | - |
| Service Month (1-12) | 5 | FCR w/o incentives, less depreciation | 11.42% |
| Useful life | 36 | FCR w/incentives approved for these facilities, less dep. | 11.42% |
| CIAC (Yes or No) | No | Annual Depreciation Expense | 126,452 |

**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 ** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2024 | 4,552,254 | 73,763 | 4,478,491 | 4,515,372 | 589,431 | 589,431 | $ - | $ 595,733 | $ (6,302) | $ 595,733 | $ (6,302) | $ - |
| 2025 | 4,478,491 | 126,452 | 4,352,039 | 4,415,265 | 630,687 | 630,687 | $ - | | $ - | | $ - | $ - |
| 2026 | 4,352,039 | 126,452 | 4,225,588 | 4,288,813 | 616,246 | 616,246 | $ - | | $ - | | $ - | $ - |
| 2027 | 4,225,588 | 126,452 | 4,099,136 | 4,162,362 | 601,805 | 601,805 | $ - | | $ - | | $ - | $ - |
| 2028 | 4,099,136 | 126,452 | 3,972,685 | 4,035,910 | 587,364 | 587,364 | $ - | | $ - | | $ - | $ - |
| 2029 | 3,972,685 | 126,452 | 3,846,233 | 3,909,459 | 572,923 | 572,923 | $ - | | $ - | | $ - | $ - |
| 2030 | 3,846,233 | 126,452 | 3,719,782 | 3,783,007 | 558,481 | 558,481 | $ - | | $ - | | $ - | $ - |
| 2031 | 3,719,782 | 126,452 | 3,593,330 | 3,656,556 | 544,040 | 544,040 | $ - | | $ - | | $ - | $ - |
| 2032 | 3,593,330 | 126,452 | 3,466,879 | 3,530,104 | 529,599 | 529,599 | $ - | | $ - | | $ - | $ - |
| 2033 | 3,466,879 | 126,452 | 3,340,427 | 3,403,653 | 515,158 | 515,158 | $ - | | $ - | | $ - | $ - |
| 2034 | 3,340,427 | 126,452 | 3,213,976 | 3,277,201 | 500,717 | 500,717 | $ - | | $ - | | $ - | $ - |
| 2035 | 3,213,976 | 126,452 | 3,087,524 | 3,150,750 | 486,276 | 486,276 | $ - | | $ - | | $ - | $ - |
| 2036 | 3,087,524 | 126,452 | 2,961,073 | 3,024,298 | 471,835 | 471,835 | $ - | | $ - | | $ - | $ - |
| 2037 | 2,961,073 | 126,452 | 2,834,621 | 2,897,847 | 457,394 | 457,394 | $ - | | $ - | | $ - | $ - |
| 2038 | 2,834,621 | 126,452 | 2,708,170 | 2,771,395 | 442,953 | 442,953 | $ - | | $ - | | $ - | $ - |
| 2039 | 2,708,170 | 126,452 | 2,581,718 | 2,644,944 | 428,511 | 428,511 | $ - | | $ - | | $ - | $ - |
| 2040 | 2,581,718 | 126,452 | 2,455,267 | 2,518,492 | 414,070 | 414,070 | $ - | | $ - | | $ - | $ - |
| 2041 | 2,455,267 | 126,452 | 2,328,815 | 2,392,041 | 399,629 | 399,629 | $ - | | $ - | | $ - | $ - |
| 2042 | 2,328,815 | 126,452 | 2,202,364 | 2,265,589 | 385,188 | 385,188 | $ - | | $ - | | $ - | $ - |
| 2043 | 2,202,364 | 126,452 | 2,075,912 | 2,139,138 | 370,747 | 370,747 | $ - | | $ - | | $ - | $ - |
| 2044 | 2,075,912 | 126,452 | 1,949,461 | 2,012,686 | 356,306 | 356,306 | $ - | | $ - | | $ - | $ - |
| 2045 | 1,949,461 | 126,452 | 1,823,009 | 1,886,235 | 341,865 | 341,865 | $ - | | $ - | | $ - | $ - |
| 2046 | 1,823,009 | 126,452 | 1,696,558 | 1,759,783 | 327,424 | 327,424 | $ - | | $ - | | $ - | $ - |
| 2047 | 1,696,558 | 126,452 | 1,570,106 | 1,633,332 | 312,983 | 312,983 | $ - | | $ - | | $ - | $ - |
| 2048 | 1,570,106 | 126,452 | 1,443,655 | 1,506,880 | 298,541 | 298,541 | $ - | | $ - | | $ - | $ - |
| 2049 | 1,443,655 | 126,452 | 1,317,203 | 1,380,429 | 284,100 | 284,100 | $ - | | $ - | | $ - | $ - |
| 2050 | 1,317,203 | 126,452 | 1,190,752 | 1,253,977 | 269,659 | 269,659 | $ - | | $ - | | $ - | $ - |
| 2051 | 1,190,752 | 126,452 | 1,064,300 | 1,127,526 | 255,218 | 255,218 | $ - | | $ - | | $ - | $ - |
| 2052 | 1,064,300 | 126,452 | 937,849 | 1,001,074 | 240,777 | 240,777 | $ - | | $ - | | $ - | $ - |
| 2053 | 937,849 | 126,452 | 811,397 | 874,623 | 226,336 | 226,336 | $ - | | $ - | | $ - | $ - |
| 2054 | 811,397 | 126,452 | 684,946 | 748,171 | 211,895 | 211,895 | $ - | | $ - | | $ - | $ - |
| 2055 | 684,946 | 126,452 | 558,494 | 621,720 | 197,454 | 197,454 | $ - | | $ - | | $ - | $ - |
| 2056 | 558,494 | 126,452 | 432,043 | 495,268 | 183,013 | 183,013 | $ - | | $ - | | $ - | $ - |
| 2057 | 432,043 | 126,452 | 305,591 | 368,817 | 168,571 | 168,571 | $ - | | $ - | | $ - | $ - |
| 2058 | 305,591 | 126,452 | 179,140 | 242,365 | 154,130 | 154,130 | $ - | | $ - | | $ - | $ - |
| 2059 | 179,140 | 126,452 | 52,688 | 115,914 | 139,689 | 139,689 | $ - | | $ - | | $ - | $ - |
| 2060 | 52,688 | 52,688 | - | 26,344 | 55,697 | 55,697 | $ - | | $ - | | $ - | $ - |
| 2061 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2062 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2063 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2064 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2065 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2066 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2067 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2068 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2069 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2070 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2071 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2072 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2073 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2074 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2075 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2076 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2077 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2078 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2079 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2080 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2081 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2082 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| 2083 | - | - | - | - | - | - | $ - | | $ - | | $ - | $ - |
| Project Totals | | 4,552,254 | | | 14,126,711 | 14,126,711 | - | | | | | |

** 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.**

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet L RESERVED
AEP Indiana Michigan Transmission Company

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital
AEP Indiana Michigan Transmission Company

| | | Average Balance of Common Equity | | | | |
|---|---|---|---|---|---|---|
| Line No | Month (a) | Proprietary Capital (b) | Less: Preferred Stock (c) | Less Undistributed Sub Earnings (Acct 216.1) (d) | Less AOCI (Acct 219.1) (e) | Average Balance of Common Equity (f)=(b)-( c)-(d)-( e) |
| | (Note A) | (FF1 112.16) | (FF1 250-251) | (FF1 112.12) | (FF1 112.15) | |
| 1 | December Prior to Rate Year | 1,806,686,665 | - | - | - | 1,806,686,665 |
| 2 | January | 1,822,207,794 | - | - | - | 1,822,207,794 |
| 3 | February | 1,836,360,252 | - | - | - | 1,836,360,252 |
| 4 | March | 1,841,562,725 | - | - | - | 1,841,562,725 |
| 5 | April | 1,856,474,741 | - | - | - | 1,856,474,741 |
| 6 | May | 1,842,743,959 | - | - | - | 1,842,743,959 |
| 7 | June | 1,861,277,928 | - | - | - | 1,861,277,928 |
| 8 | July | 1,878,092,295 | - | - | - | 1,878,092,295 |
| 9 | August | 1,869,724,445 | - | - | - | 1,869,724,445 |
| 10 | September | 1,883,883,587 | - | - | - | 1,883,883,587 |
| 11 | October | 1,899,423,204 | - | - | - | 1,899,423,204 |
| 12 | November | 1,883,931,603 | - | - | - | 1,883,931,603 |
| 13 | December of Rate Year | 1,908,399,884 | - | - | - | 1,908,399,884 |
| 14 | Average of the 13 Monthly Balances | 1,860,828,391 | - | - | - | 1,860,828,391 |

| | | Average Balance of Long Term Debt | | | | | |
|---|---|---|---|---|---|---|---|
| Line No | Month (a) | Bonds (b) | Less: Reacquired Bonds (c) | Acct 223 LT Advances from Assoc. Companies (d) | Acct 224 Senior Unsecured Notes (e) | Less: Fair Value Hedges (f) | Gross Proceeds Outstanding Long-Term Debt (g)=(b)-( c)+(d)+( e)-(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 | - | - | 1,522,350,000 | - | - | 1,522,350,000 |
| 16 | January | - | - | 1,522,350,000 | - | - | 1,522,350,000 |
| 17 | February | - | - | 1,522,350,000 | - | - | 1,522,350,000 |
| 18 | March | - | - | 1,547,350,000 | - | - | 1,547,350,000 |
| 19 | April | - | - | 1,547,350,000 | - | - | 1,547,350,000 |
| 20 | May | - | - | 1,547,350,000 | - | - | 1,547,350,000 |
| 21 | June | - | - | 1,547,350,000 | - | - | 1,547,350,000 |
| 22 | July | - | - | 1,547,350,000 | - | - | 1,547,350,000 |
| 23 | August | - | - | 1,547,350,000 | - | - | 1,547,350,000 |
| 24 | September | - | - | 1,547,350,000 | - | - | 1,547,350,000 |
| 25 | October | - | - | 1,547,350,000 | - | - | 1,547,350,000 |
| 26 | November | - | - | 1,523,250,000 | - | - | 1,523,250,000 |
| 27 | December of Rate Year | - | - | 1,523,250,000 | - | - | 1,523,250,000 |
| 28 | Average of the 13 Monthly Balances | - | - | 1,537,873,077 | - | - | 1,537,873,077 |

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)

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital
AEP Indiana Michigan Transmission Company

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

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) |
|---|---|---|---|---|---|---|---|
| 29 | **Annual Interest Expense for 2024** | | | | | | |
| 30 | Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i) | | | 61,464,997 | | | |
| 31 | Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 43 below. | | | - | | | |
| 32 | Amort of Debt Discount & Expense - Acct 428 (117.63.c) | | | 849,657 | | | |
| 33 | Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c) | | | | | | |
| 34 | Less: Amort of Premium on Debt - Acct 429 (117.65.c) | | | 30,860 | | | |
| 35 | Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c) | | | | | | |
| 36 | **Total Interest Expense (Ln 30 - 31 + 32 + 33 - 34 - 35)** | | | **62,283,794** | | | |
| 37 | **Average Cost of Debt for 2024 (Ln 36/ ln 28 (g))** | | | **4.05%** | | | |

***CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCLUDED FROM TCOS***

38 AEP Indiana Michigan Transmission Company may not include costs (or gains) related to interest hedging activities.

| | | | | Amortization Period | |
|---|---|---|---|---|---|
| | **HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)** | **(Amortization of (Gain)/Loss for 2024** | **Remaining Unamortized Balance** | **Beginning** | **Ending** |
| 39 | | | | | |
| 40 | | | | | |
| 41 | | | | | |
| 42 | | | | | |
| 43 | **Net (Gain)/Loss Hedge Amortization To Be Removed** | - | - | - | - |

## *Development of Cost of Preferred Stock*

| | | |
|---|---|---|
| 44 | Balance of Preferred Stock (Line 14 (c)) | - |
| 45 | Dividends on Preferred Stock (Acct 437, FF1 118.29)) | |
| 46 | Average Cost of Preferred Stock (Ln 45 / ln 44) | #DIV/0! |

# AEPTCo subsidiaries in PJM
## Cost of Service Formula Rate Using Actual/Projected FF1 Balances
## Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use
## AEP Indiana Michigan Transmission Company

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

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Calculation of Post-employment Benefits Other than Pensions Expenses Allocable to Transmission Service
Worksheet O - PBOP Support
AEP Indiana Michigan Transmission Company

| PBOP | (A) | | (B) |
|---|---|---|---|
| 1 | **Calculation of PBOP Expenses** | | |
| 2 | **AEP System PBOP Rate** | | |
| 3 | Total AEP System PBOP expenses | | -$74,896,761 |
| 4 | Base Year relating to retired personnel | | $0 |
| 5 | Amount allocated on Labor | | -$74,896,761 |
| 6 | Total AEP System Direct Labor Expense | | $1,652,603,269 |
| 7 | AEP System PBOP expense per dollar of direct labor (PBOP Rate) | | -$0.045 |
| 8 | Currently Approved PBOP Rate | | -$0.078 |
| 9 | Base PBOP TransCo labor expensed in current year | | 9,432,549 |
| 10 | Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9) | | -$735,739 |
| 11 | Direct PBOP Expense per Actuarial Report | | $0 |
| 12 | Additional PBOP Ledger Entry (From Company Records) | | $0 |
| 13 | Medicare Credit | | $0 |
| 14 | PBOP Expenses From AEP Affiliates (From Company Records) | | -$607,656 |
| 15 | Actual PBOP Expense | (Sum Lines 11-14) | -$607,656 |
| 16 | PBOP Adjustment | Line 10 less Line 15 | -$128,082 |

Note: PBOP Expense will be calculated in accordance with the settlement in Docket ER10-355.

As part of the annual update process, AEP will provide to transmission customers and include in its informational filing an independently prepared actuarial report that includes a ten (10) year forecast of PBOP expenses. During the annual update process conducted for rate year 2018 and every four years thereafter, Worksheet O will be used to determine whether the PBOP allowance rate ($PBOP per $Direct O&M Labor) should be adjusted going forward for the next four years. If the annual actuarial report issued during the year of any PBOP rate review projects PBOP costs during the next four years that, when allocated to the AEP Transmission Companies based on their projected direct labor expenses over that same projected four-year period, absent a change in the PBOP Rate, will likely cause the AEP East Transmission Companies to over or under collect their cumulative PBOP expenses by more than 20% of the projected next four year's total PBOP expense, taking into account the net over or under collection of such expenses during the previous four years, the PBOP rate shall be adjusted. In order to determine whether continued use of the then approved PBOP rate is likely to result in the AEP Companies' incurrence of a cumulative allowance of PBOP costs under the formula rate will result in a cumulative over or under-recoery of actual PBOP expenses exceeding 20% over the subsequent four year period, Worksheet O will be used to determine (a) the level of cumulative over or under collections of PBOP expense during the time since the PBOP allowance rate was last set, including carrying costs based on the weighted average cost of capital each year from the formula rate actual transmission cost-of-service (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 transmission cost of service average cost of capital for the immediately prior calendar year and (c) the cumulative net present value of continued collections over the next four years based on the projected AEP Transmission Companies direct labor expenses and the then effective PBOP allowance rate assuming a discount rate equal to the prior year weighted average cost of capital. If the absolute value of (a)+(b)-(c) exceeds 20% of (b), then the PBOP allowance rate used in the formula rate calculation shall be changed to the value that will cause the projected result of (a)+(b)-(c) to equal zero. If the projected over or under collection during the next four years, (a)+(b)-(c), is less than 20% of (b), then the PBOP Rate 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 Rate stated in the formula rate shown on Worksheet O. No other changes to the formula rate may be included in that filing.

**AEPTCo subsidiaries in PJM**

**Worksheet - P**

**DEPRECIATION RATES**

**FOR TRANSMISSION PLANT PROPERTY ACCOUNTS**

**EFFECTIVE AS OF 3/11/2020**

**AEP Indiana Michigan Transmission Company**

| | PLANT ACCT. | RATES Note 1 |
|---|---|---|
| ***TRANSMISSION PLANT*** | | |
| Land Rights | 350.1 | 1.66% |
| Structures & Improvements | 352.0 | 1.77% |
| Station Equipment | 353.0 | 2.43% |
| Towers & Fixtures | 354.0 | 2.57% |
| Poles & Fixtures | 355.0 | 3.19% |
| Overhead Conductor | 356.0 | 2.35% |
| Underground Conduit | 357.0 | 2.30% |
| Underground Conductors | 358.0 | 1.93% |

**Note:** Per the Settlement in Docket No. ER10-355, Appendix A.1.2, AEP INDIANA MICHIGAN TRANSMISSION COMPANY shall use the depreciation rates shown above by FERC Account until such time as the FERC approves new depreciation rates pusuant to a Section 205 or 206 filing to change rates.

| **Composite Depreciation Rate** | I & M | TOTAL |
|---|---|---|
| T-Plant (FF1 206.58.g) | 3,055,969,085 | 3,055,969,085 |
| T-Plant (FF1 206.58.b) | 2,705,758,568 | 2,705,758,568 |
| Average (Ln 1+ Ln 2)/2 | 2,880,863,827 | 2,880,863,827 |
| Depreciation (FF1 336.7.f) | 74,085,653 | 74,085,653 |
| Composite Depreciation (Ln 3 / Ln 4) | | **2.57%** |

**Note:** Rates approved in Indiana Cause No. 45235 effective March 11, 2020.

**AEP East Consolidated Utility Capital Structure**
**Consolidation of Operating Companies' Capital Structure @ December 31, 2024**
**Worksheet Q Page 1**

| Line | | Appalachian Power Company | Indiana Michigan Power Company | Kentucky Power Company | Kingsport Power Company | Ohio Power Company | Wheeling Power Company | AEP East Operating Companies' Consolidated Capital Structure |
|---|---|---|---|---|---|---|---|---|
| ***Development of Long Term Debt Balances at Year End*** | | | | | | | | |
| 1 | Bonds (112.18.c&d) | | | | | | | - |
| 2 | Less: Reacquired Bonds (112.19.c&d) | | | | | | | - |
| 3 | LT Advances from Assoc. Companies (112.20.c&d) | | | | | | | - |
| 4 | Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund | | | | | | | - |
| 5 | Less: Fair Value Hedges (See Note on Ln 7 below) | | | | | | | - |
| 6 | **Total Long Term Debt Balance** | - | - | - | - | - | - | - |
| 7 | NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (page 257, Column H of the FF1) | | | | | | | |
| ***Development of Long Term Debt Interest Expense*** | | | | | | | | |
| 8 | Interest on Long Term Debt (256-257.33.i) | | | | | | | - |
| 9 | Amort of Debt Discount & Expense (117.63.c) | | | | | | | - |
| 10 | Amort of Loss on Reacquired Debt (117.64.c) | | | | | | | - |
| 11 | Less: Amort of Premium on Debt (117.65.c) | | | | | | | - |
| 12 | Less: Amort of Gain on Reacquired Debt (117.66.c) | | | | | | | - |
| 13 | Less: Hedge Interest on pp 256-257(i) | | | | | | | - |
| 14 | **LTD Interest Expense** | - | - | - | - | - | - | - |
| ***Development of Cost of Preferred Stock and Preferred Dividends*** | | | | | | | | |
| 15 | Dividend Rate (p. 250-251. 7.a) | | | | | | | |
| 16 | Par Value (p. 250-251. 8.c) | | | | | | | |
| 17 | Shares Outstanding (p.250-251. 8.e) | | | | | | | |
| 18 | Monetary Value (Ln 16 * Ln 17) | - | - | - | - | - | - | - |
| 19 | Dividend Amount (Ln 15 * Ln 18) | - | - | - | - | - | - | - |
| 20 | Dividend Rate (p. 250-251. 7.a) | | | | | | | |
| 21 | Par Value (p. 250-251. 8.c) | | | | | | | |
| 22 | Shares Outstanding (p.250-251. 8.e) | | | | | | | |
| 23 | Monetary Value (Ln 21 * Ln 22) | - | - | - | - | - | - | - |
| 24 | Dividend Amount (Ln 20 * Ln 23) | - | - | - | - | - | - | - |
| 25 | Dividend Rate (p. 250-251. 7.a) | | | | | | | |
| 26 | Par Value (p. 250-251. 8.c) | | | | | | | |
| 27 | Shares Outstanding (p.250-251. 8.e) | | | | | | | |
| 28 | Monetary Value (Ln 26 * Ln 27) | - | - | - | - | - | - | - |
| 29 | Dividend Amount (Ln 25 * Ln 28) | - | - | - | - | - | - | - |
| 30 | Dividend Rate (p. 250-251. 7.a) | | | | | | | |
| 31 | Par Value (p. 250-251. 8.c) | | | | | | | |
| 32 | Shares Outstanding (p.250-251. 8.e) | | | | | | | |
| 33 | Monetary Value (Ln 31 * Ln 32) | - | - | - | - | - | - | - |
| 34 | Dividend Amount (Ln 30 * Ln 33) | - | - | - | - | - | - | - |
| 35 | **Preferred Stock (Lns 18, 23, 28,33)** | - | - | - | - | - | - | - |
| 36 | **Preferred Dividends (Lns 19, 24, 29,34)** | - | - | - | - | - | - | - |
| ***Development of Common Equity*** | | | | | | | | |
| 37 | Proprietary Capital (112.16.c) | | | | | | | - |
| 38 | Less: Preferred Stock (Ln 35 Above) | - | - | - | - | - | - | - |
| 39 | Less: Account 216.1 (112.12.c) | | | | | | | - |
| 40 | Less: Account 219.1 (112.15.c) | | | | | | | - |
| 41 | **Balance of Common Equity** | - | - | - | - | - | - | - |
| ***Calculation of Capital Shares*** | | | | | | | | |
| 42 | Long Term Debt (Ln 6 Above) | - | - | - | - | - | - | - |
| 43 | Preferred Stock (Ln 35 Above) | - | - | - | - | - | - | - |
| 44 | Common Equity (Ln 41 Above) | - | - | - | - | - | - | - |
| 45 | Total Company Structure | - | - | - | - | - | - | - |
| 46 | LTD Capital Shares (Ln 42 / Ln 45) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 47 | Preferred Stock Capital Shares (Ln 43 / Ln 45) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 48 | Common Equity Capital Shares (Ln 44 / Ln 45) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 49 | **Reserved** | | | | | | | |
| 50 | **Reserved** | | | | | | | |
| 51 | **Reserved** | | | | | | | |
| 52 | **Reserved** | | | | | | | |
| ***Calculation of Capital Cost Rate*** | | | | | | | | |
| 53 | LTD Capital Cost Rate (Ln 14 / Ln 6) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 54 | Preferred Stock Capital Cost Rate (Ln 36 / Ln 35) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 55 | Common Equity Capital Cost Rate | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% |
| ***Calculation of Weighted Capital Cost Rate*** | | | | | | | | |
| 56 | LTD Weighted Capital Cost Rate (Ln 46 * Ln 53) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 57 | Preferred Stock Capital Cost Rate (Ln 47 * Ln 54) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 58 | Common Equity Capital Cost Rate (Ln 48 * Ln 55) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 59 | **Total Company Structure** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** |

**AEP East Consolidated Utility Capital Structure**
**Consolidation of Operating Companies' Capital Structure @ December 31, 2023**
**Worksheet Q Page 2**

| Line | | Appalachian Power Company | Indiana Michigan Power Company | Kentucky Power Company | Kingsport Power Company | Ohio Power Company | Wheeling Power Company | AEP East Operating Companies' Consolidated Capital Structure |
|---|---|---|---|---|---|---|---|---|
| ***Development of Long Term Debt Balances at Year End*** | | | | | | | | |
| 60 | Bonds (112.18.c&d) | | | | | | | - |
| 61 | Less: Reacquired Bonds (112.19.c&d) | | | | | | | - |
| 62 | LT Advances from Assoc. Companies (112.20.c&d) | | | | | | | - |
| 63 | Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund | | | | | | | - |
| 64 | Less: Fair Value Hedges (See Note on Ln 66 below) | | | | | | | - |
| 65 | **Total Long Term Debt Balance** | - | - | - | - | - | - | - |
| 66 | NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (p. 257, Column H of the FF1) | | | | | | | |
| ***Development of Long Term Debt Interest Expense*** | | | | | | | | |
| 67 | Interest on Long Term Debt (256-257.33.i) | | | | | | | - |
| 68 | Amort of Debt Discount & Expense (117.63.c) | | | | | | | - |
| 69 | Amort of Loss on Reacquired Debt (117.64.c) | | | | | | | - |
| 70 | Less: Amort of Premium on Debt (117.65.c) | | | | | | | - |
| 71 | Less: Amort of Gain on Reacquired Debt (117.66.c) | | | | | | | - |
| 72 | Less: Hedge Interest on pp 256-257(i) | | | | | | | - |
| 73 | **LTD Interest Expense** | - | - | - | - | - | - | - |
| ***Development of Cost of Preferred Stock and Preferred Dividends*** | | | | | | | | |
| 74 | Dividend Rate (p. 250-251. 7.a) | | | | | | | |
| 75 | Par Value (p. 250-251. 8.c) | | | | | | | |
| 76 | Shares Outstanding (p.250-251. 8.e) | | | | | | | |
| 77 | Monetary Value (Ln 75 * Ln 76) | - | - | - | - | - | - | - |
| 78 | Dividend Amount (Ln 74 * Ln 77) | - | - | - | - | - | - | - |
| 79 | Dividend Rate (p. 250-251. 7.a) | | | | | | | |
| 80 | Par Value (p. 250-251. 8.c) | | | | | | | |
| 81 | Shares Outstanding (p.250-251. 8.e) | | | | | | | |
| 82 | Monetary Value (Ln 80 * Ln 81) | - | - | - | - | - | - | - |
| 83 | Dividend Amount (Ln 79 * Ln 82) | - | - | - | - | - | - | - |
| 84 | Dividend Rate (p. 250-251. 7.a) | | | | | | | |
| 85 | Par Value (p. 250-251. 8.c) | | | | | | | |
| 86 | Shares Outstanding (p.250-251. 8.e) | | | | | | | |
| 87 | Monetary Value (Ln 85 * Ln 86) | - | - | - | - | - | - | - |
| 88 | Dividend Amount (Ln 84 * Ln 87) | - | - | - | - | - | - | - |
| 89 | Dividend Rate (p. 250-251. 7.a) | | | | | | | |
| 90 | Par Value (p. 250-251. 8.c) | | | | | | | |
| 91 | Shares Outstanding (p.250-251. 8.e) | | | | | | | |
| 92 | Monetary Value (Ln 90 * Ln 91) | - | - | - | - | - | - | - |
| 93 | Dividend Amount (Ln 89 * Ln 92) | - | - | - | - | - | - | - |
| 94 | **Preferred Stock (Lns 77, 82, 87,92)** | - | - | - | - | - | - | - |
| 95 | **Preferred Dividends (Lns 78, 83, 88,93)** | - | - | - | - | - | - | - |
| ***Development of Common Equity*** | | | | | | | | |
| 96 | Proprietary Capital (112.16.c) | | | | | | | - |
| 97 | Less: Preferred Stock (Ln 94 Above) | - | - | - | - | - | - | - |
| 98 | Less: Account 216.1 (112.12.c) | | | | | | | - |
| 99 | Less: Account 219.1 (112.15.c) | | | | | | | - |
| 100 | **Balance of Common Equity** | - | - | - | - | - | - | - |
| ***Calculation of Capital Shares*** | | | | | | | | |
| 101 | Long Term Debt (Ln 65 Above) | - | - | - | - | - | - | - |
| 102 | Preferred Stock (Ln 94 Above) | - | - | - | - | - | - | - |
| 103 | Common Equity (Ln 100 Above) | - | - | - | - | - | - | - |
| 104 | Total Company Structure | - | - | - | - | - | - | - |
| 105 | LTD Capital Shares (Ln 101 / Ln 104) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 106 | Preferred Stock Capital Shares (Ln 102 / Ln 104) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 107 | Common Equity Capital Shares (Ln 103 / Ln 104) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 108 | **Reserved** | | | | | | | |
| 109 | **Reserved** | | | | | | | |
| 110 | **Reserved** | | | | | | | |
| 111 | **Reserved** | | | | | | | |
| ***Calculation of Capital Cost Rate*** | | | | | | | | |
| 112 | LTD Capital Cost Rate (Ln 73 / Ln 65) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 113 | Preferred Stock Capital Cost Rate (Ln 95 / Ln 94) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 114 | Common Equity Capital Cost Rate | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% |
| ***Calculation of Weighted Capital Cost Rate*** | | | | | | | | |
| 115 | LTD Weighted Capital Cost Rate (Ln 105 * Ln 112) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 116 | Preferred Stock Capital Cost Rate (Ln 106 * Ln 113) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 117 | Common Equity Capital Cost Rate (Ln 107 * Ln 114) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 118 | **Total Company Structure** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** |

**AEP East Consolidated Utility Capital Structure**
**Consolidation of Operating Companies' Average Capital Structure**
**Worksheet Q Page 3**

| Line | | Appalachian Power Company | Indiana Michigan Power Company | Kentucky Power Company | Kingsport Power Company | Ohio Power Company | Wheeling Power Company | AEP East Operating Companies' Consolidated Capital Structure |
|---|---|---|---|---|---|---|---|---|
| ***Development of Average Long Term Debt*** | | | | | | | | |
| 119 | Average Bonds (Ln 1 + Ln 60) / 2 | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 120 | Less: Average Reacquired Bonds (Ln 2 + Ln 61) / 2 | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 121 | Average LT Advances from Assoc. Companies (Ln 3 + Ln 62) / 2 | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 122 | Average Senior Unsecured Notes (Ln 4 + Ln 63) / 2 | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 123 | Less: Average Fair Value Hedges (See Note on Ln 125 below) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 124 | **Average Balance of Long Term Debt** | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 125 | NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (p. 257, Column H of the FF1) | | | | | | | |
| ***##*** | | | | | | | | |
| 126 | Interest on Long Term Debt (256-257.33.i) | - | - | - | - | - | - | - |
| 127 | Amort of Debt Discount & Expense (117.63.c) | - | - | - | - | - | - | - |
| 128 | Amort of Loss on Reacquired Debt (117.64.c) | - | - | - | - | - | - | - |
| 129 | Less: Amort of Premium on Debt (117.65.c) | - | - | - | - | - | - | - |
| 130 | Less: Amort of Gain on Reacquired Debt (117.66.c) | - | - | - | - | - | - | - |
| 131 | Less: Hedge Interest on pp 256-257(i) | - | - | - | - | - | - | - |
| 132 | **#REF!** | - | - | - | - | - | - | - |
| ***##*** | | | | | | | | |
| 133 | Average Balance of Preferred Stock (Ln 35 + Ln 94) / 2 | - | - | - | - | - | - | - |
| 134 | #REF! | - | - | - | - | - | - | - |
| ***Development of Average Common Equity*** | | | | | | | | |
| 135 | Average Proprietary Capital (Ln 37 + Ln 96) / 2 | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 136 | Less: Average Preferred Stock (Ln 133 Above) | - | - | - | - | - | - | - |
| 137 | Less: Average Account 216.1 (Ln 39 + Ln 98) / 2 | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 138 | Less: Average Account 219.1 (Ln 40 + Ln 99) / 2 | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 139 | **Average Balance of Common Equity** | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| ***Calculation of Capital Shares*** | | | | | | | | |
| 140 | Average Balance of Long Term Debt (Ln 124 Above) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 141 | Average Balance of Preferred Stock (Ln 133 Above) | - | - | - | - | - | - | - |
| 142 | Average Balance of Common Equity (Ln 139 Above) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 143 | Average of Total Company Structure | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 144 | Average Balance of LTD Capital Shares (Ln 140 / Ln 143) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 145 | Average Balance of Preferred Stock Capital Shares (Ln 141 / Ln 143) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 146 | Average Balance of Common Equity Capital Shares (Ln 142 / Ln 143) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 147 | **Reserved** | | | | | | | |
| 148 | **Reserved** | | | | | | | |
| 149 | **Reserved** | | | | | | | |
| 150 | **Reserved** | | | | | | | |
| ***Calculation of Capital Cost Rate*** | | | | | | | | |
| 151 | LTD Capital Cost Rate (Ln 132 / Ln 124) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 152 | Preferred Stock Capital Cost Rate (Ln 134 / Ln 133) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 153 | Common Equity Capital Cost Rate | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% | 11.49% |
| ***Calculation of Weighted Capital Cost Rate*** | | | | | | | | |
| 154 | LTD Weighted Capital Cost Rate (Ln 144 * Ln 151) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 155 | Preferred Stock Capital Cost Rate (Ln 145 * Ln 152) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 156 | Common Equity Capital Cost Rate (Ln 146 * Ln 153) | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| 157 | **ACTUAL WEIGHTED AVG COST OF CAPITAL** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** | **#DIV/0!** |

**AEPTCo Subsidiaries in PJM**
**Cost of Service Formula Rate Using Actual/Projected FF1 Balances**
**Worksheet R - True-up With Interest**

| | | | | |
|---|---|---|---|---|
| | | | | True-up Adjustment - Over (Under) Recovery |
| $0 | - | $0 | = | $0 |

| Interest Rate on Amount of Refunds or Surcharges (Note 1) | | Over (Under) Recovery Plus Interest | Average Monthly Interest Rate | Months | Calculated Interest | Amortization | Surcharge (Refund) Owed |
|---|---|---|---|---|---|---|---|
| **Calculation of Interest** | | | | | **Monthly** | | |
| January | Year 2024 | - | 0.0000% | 12 | - | | - |
| February | Year 2024 | - | 0.0000% | 11 | - | | - |
| March | Year 2024 | - | 0.0000% | 10 | - | | - |
| April | Year 2024 | - | 0.0000% | 9 | - | | - |
| May | Year 2024 | - | 0.0000% | 8 | - | | - |
| June | Year 2024 | - | 0.0000% | 7 | - | | - |
| July | Year 2024 | - | 0.0000% | 6 | - | | - |
| August | Year 2024 | - | 0.0000% | 5 | - | | - |
| September | Year 2024 | - | 0.0000% | 4 | - | | - |
| October | Year 2024 | - | 0.0000% | 3 | - | | - |
| November | Year 2024 | - | 0.0000% | 2 | - | | - |
| December | Year 2024 | - | 0.0000% | 1 | - | | - |
| | | | | | - | | - |
| | | | | | **Annual** | | |
| January through December | Year 2025 | - | 0.0000% | 12 | - | | - |
| **Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months** | | | | | **Monthly** | | |
| January | Year 2026 | - | 0.0000% | | - | - | - |
| February | Year 2026 | - | 0.0000% | | - | - | - |
| March | Year 2026 | - | 0.0000% | | - | - | - |
| April | Year 2026 | - | 0.0000% | | - | - | - |
| May | Year 2026 | - | 0.0000% | | - | - | - |
| June | Year 2026 | - | 0.0000% | | - | - | - |
| July | Year 2026 | - | 0.0000% | | - | - | - |
| August | Year 2026 | - | 0.0000% | | - | - | - |
| September | Year 2026 | - | 0.0000% | | - | - | - |
| October | Year 2026 | - | 0.0000% | | - | - | - |
| November | Year 2026 | - | 0.0000% | | - | - | - |
| December | Year 2026 | - | 0.0000% | | - | - | - |
| | | | | | - | | |

| | |
|---|---|
| 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 trued-up through August 31 of the following year.

**AEPTCo Subsidiaries in PJM**
**Cost of Service Formula Rate Using Actual/Projected FF1 Balances**
**Worksheet R - True-up With Interest**

| | | | | |
|---|---|---|---|---|
| | | | | True-up Adjustment - Over (Under) Recovery |
| $0 | - | $0 | = | $0 |

| Interest Rate on Amount of Refunds or Surcharges (Note 1) | | Over (Under) Recovery Plus Interest | Average Monthly Interest Rate | Months | Calculated Interest | Amortization | Surcharge (Refund) Owed |
|---|---|---|---|---|---|---|---|
| | | | 0.0000% | | | | |
| **Calculation of Interest** | | | | | **Monthly** | | |
| January | Year 2024 | - | 0.0000% | 12 | - | | - |
| February | Year 2024 | - | 0.0000% | 11 | - | | - |
| March | Year 2024 | - | 0.0000% | 10 | - | | - |
| April | Year 2024 | - | 0.0000% | 9 | - | | - |
| May | Year 2024 | - | 0.0000% | 8 | - | | - |
| June | Year 2024 | - | 0.0000% | 7 | - | | - |
| July | Year 2024 | - | 0.0000% | 6 | - | | - |
| August | Year 2024 | - | 0.0000% | 5 | - | | - |
| September | Year 2024 | - | 0.0000% | 4 | - | | - |
| October | Year 2024 | - | 0.0000% | 3 | - | | - |
| November | Year 2024 | - | 0.0000% | 2 | - | | - |
| December | Year 2024 | - | 0.0000% | 1 | - | | - |
| | | | | | - | | - |
| | | | | | **Annual** | | |
| January through December | Year 2025 | - | 0.0000% | 12 | - | | - |
| **Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months** | | | | | **Monthly** | | |
| January | Year 2026 | - | 0.0000% | | - | - | - |
| February | Year 2026 | - | 0.0000% | | - | - | - |
| March | Year 2026 | - | 0.0000% | | - | - | - |
| April | Year 2026 | - | 0.0000% | | - | - | - |
| May | Year 2026 | - | 0.0000% | | - | - | - |
| June | Year 2026 | - | 0.0000% | | - | - | - |
| July | Year 2026 | - | 0.0000% | | - | - | - |
| August | Year 2026 | - | 0.0000% | | - | - | - |
| September | Year 2026 | - | 0.0000% | | - | - | - |
| October | Year 2026 | - | 0.0000% | | - | - | - |
| November | Year 2026 | - | 0.0000% | | - | - | - |
| December | Year 2026 | - | 0.0000% | | - | - | - |
| | | | | | - | | |
| 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 trued-up through August 31 of the following year.