Tvelve Months Ended 2020

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

Indiana Michigan Power Company

Line No.			Total	Allocator			Transmission Amount
1	REVENUE REQUIREMENT (v/o incentives)	(ln 130)					$146,251,816
2	REVENUE CREDITS	(vorksheet E Ln 8) (Note A)	3,051,189	DA	1.00000	$	3,051,189
3	Facility Credits under PJM OATT Section 30.9	(vorksheet E Ln 9) (Note X)				$	-
4	REVENUE REQUIREMENT For All Company Facilities	(ln 1 less ln 2 plus ln 3)				$	143,200,627

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)		5,012,170	DA	1.00000	$	5,012,170
6	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)						
7	Annual Rate	((ln 1 - ln 95)/((ln 42) x 100))					13.08%
8	Monthly Rate	(ln 7 / 12)					1.09%
9	NET PLANT CARRYING CHARGE ON LINE 7 , w/o depreciation or ROE incentives (Note B)						
10	Annual Rate	((ln 1 - ln 95 - ln 100) /((ln 42) x 100))					9.85%
11	NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B)						
12	Annual Rate	((ln 1 - ln 95 - ln 100 - ln 125 - ln 126) /((ln 42) x 100))					3.02%
13	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J/K)						

14	**REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES**		
15	Total Load Dispatch & Scheduling (Account 561)	Line 75 Below	8,073,000
16	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)		4,968,000
17	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)		1,383,000
18	Total 561 Internally Developed Costs	(Line 15 - Line 16 - Line 17)	1,722,000

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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	Production	(Worksheet A ln 14.(b))	4,730,554,000	NA	0.00000	-
20	Less: Production ARO (Enter Negative)	(Worksheet A ln 14.(c))	(454,391,000)	NA	0.00000	-
21	Transmission	(Worksheet A ln 14.(d) & TCOS Ln 134)	1,661,809,000	DA		1,602,798,000
22	Less: Transmission ARO (Enter Negative)	(Worksheet A ln 14.(e))	-	TP	0.96449	-
23	Distribution	(Worksheet A ln 14.(f))	2,622,028,000	NA	0.00000	-
24	Less: Distribution ARO (Enter Negative)	(Worksheet A ln 14.(g))	-	NA	0.00000	-
25	General Plant	(Worksheet A ln 14.(h))	170,053,000	W/S	0.04379	7,446,828
26	Less: General Plant ARO (Enter Negative)	(Worksheet A ln 14.(i))	-	W/S	0.04379	-
27	Intangible Plant	(Worksheet A ln 14.(j))	250,620,000	W/S	0.04379	10,974,955
28	TOTAL GROSS PLANT	(sum lns 19 to 27)	8,980,673,000	**GP**	**0.180523**	1,621,219,783
				GTD=	**0.37415**	
29	ACCUMULATED DEPRECIATION AND AMORTIZATION					
30	Production	(Worksheet A ln 28.(b))	1,855,516,000	NA	0.00000	-
31	Less: Production ARO (Enter Negative)	(Worksheet A ln 28.(c))	(147,113,000)	NA	0.00000	-
32	Transmission	(Worksheet A ln 28.(d) & ln 43.(c))	494,931,000	**TP1=**	0.97852	484,298,000
33	Less: Transmission ARO (Enter Negative)	(Worksheet A ln 28.(e))	-	**TP1=**	0.97852	-
34	Distribution	(Worksheet A ln 28.(f))	699,622,000	NA	0.00000	-
35	Less: Distribution ARO (Enter Negative)	(Worksheet A ln 28.(g))	-	NA	0.00000	-
36	General Plant	(Worksheet A ln 28.(h))	39,166,000	W/S	0.04379	1,715,127
37	Less: General Plant ARO (Enter Negative)	(Worksheet A ln 28.(i))	-	W/S	0.04379	-
38	Intangible Plant	(Worksheet A ln 28.(j))	103,558,000	W/S	0.04379	4,534,931
39	TOTAL ACCUMULATED DEPRECIATION	(sum lns 30 to 38)	3,045,680,000			490,548,058
40	NET PLANT IN SERVICE					
41	Production	(ln 19 + ln 20 - ln 30 - ln 31)	2,567,760,000			-
42	Transmission	(ln 21 + ln 22 - ln 32 - ln 33)	1,166,878,000			1,118,500,000
43	Distribution	(ln 23 + ln 24 - ln 34 - ln 35)	1,922,406,000			-
44	General Plant	(ln 25 + ln 26 - ln 36 - ln 37)	130,887,000			5,731,701
45	Intangible Plant	(ln 27 - ln 38)	147,062,000			6,440,024
46	TOTAL NET PLANT IN SERVICE	(sum lns 41 to 45)	5,934,993,000	**NP**	**0.190509**	1,130,671,726
47	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)				
48	Account No. 281.1 (enter negative)	(Worksheet B, ln 2 & ln 5.E)	(31,139,161)	NA		-
49	Account No. 282.1 (enter negative)	(Worksheet B, ln 7 & ln 10.E)	(1,056,537,813)	DA		(258,886,642)
50	Account No. 283.1 (enter negative)	(Worksheet B, ln 12 & ln 15.E)	(758,569,434)	DA		(554,518)
51	Account No. 190.1	(Worksheet B, ln 17 & ln 20.E)	864,786,787	DA		8,967,300
52	Account No. 255 (enter negative)	(Worksheet B, ln 24 & ln 25.E)	-	DA		-
53	TOTAL ADJUSTMENTS	(sum lns 48 to 52)	(981,459,621)			(250,473,860)
54	PLANT HELD FOR FUTURE USE	(Worksheet A ln 44.(e) & ln 45.(e))	1,445,000	DA		208,000
55	REGULATORY ASSETS	(Worksheet A ln 51.(e))	-	DA		-
56	UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y)	(Worksheet A ln 54.(e))	(128,000)	W/S	0.04379	(5,605)
57	WORKING CAPITAL	(Note E)				
58	Cash Working Capital	(1/8 * ln 78)	2,179,250			2,101,865
59	Transmission Materials & Supplies	(Worksheet C, ln 2.(F))	2,287,000	TP	0.96449	2,205,788
60	A&G Materials & Supplies	(Worksheet C, ln 3.(F))	275,000	W/S	0.04379	12,043
61	Stores Expense	(Worksheet C, ln 4.(F))	-	GP	0.18052	-
62	Prepayments (Account 165) - Labor Allocated	(Worksheet C, ln 8.G)	326,988,111	W/S	0.04379	14,319,208
63	Prepayments (Account 165) - Gross Plant	(Worksheet C, ln 8.F)	10,391,578	GP	0.18052	1,875,921
64	Prepayments (Account 165) - Transmission Only	(Worksheet C, ln 8.E)	-	DA	1.00000	-
65	Prepayments (Account 165) - Unallocable	(Worksheet C, ln 8.D)	(321,184,457)	NA	0.00000	-
66	TOTAL WORKING CAPITAL	(sum lns 58 to 65)	20,936,482			20,514,824
67	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, ln 8.B)	(3,407,360)	DA	1.00000	(3,407,360)
68	RATE BASE (sum lns 46, 53, 54, 55, 56, 66, 67)		4,972,379,501			897,507,726

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Line No.	(1) EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total	(4) Allocator		(5) Total Transmission
	OPERATION & MAINTENANCE EXPENSE					
69	Production	321.80.b	1,049,585,000			
70	Distribution	322.156.b	79,824,000			
71	Customer Related Expense	322 & 323.164,171,178.b	54,046,000			
72	Regional Marketing Expenses	322.131.b	5,143,000			
73	Transmission	321.112.b	186,213,000			
74	TOTAL O&M EXPENSES	(sum lns 69 to 73)	1,374,811,000			
75	Less: Total Account 561	(Note G) (Worksheet F, ln 14.C)	8,073,000			
76	Less: Account 565	(Note H) 321.96.b	160,706,000			
77	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, ln 4.C)	-			
78	Total O&M Allocable to Transmission	(lns 73 - 75 - 76 - 77)	17,434,000	TP	0.96449	16,814,917
79	Administrative and General	323.197.b (Notes J and M)	111,690,000			
80	Less: Acct. 924, Property Insurance	323.185.b	(5,515,000)			
81	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	(11,963,215)			
82	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	-			
83	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	(3,007,058)			
84	Acct. 928, Reg. Com. Exp.	323.189.b	11,571,000			
85	Acct. 930.1, Gen. Advert. Exp.	323.191.b	77,000			
86	Acct. 930.2, Misc. Gen. Exp.	323.192.b	5,322,000			
87	Balance of A & G	(ln 79 - sum ln 80 to ln 86)	115,205,273	W/S	0.04379	5,044,979
88	Plus: Acct. 924, Property Insurance	(ln 80)	(5,515,000)	GP	0.18052	(995,585)
89	Acct. 928 - Transmission Specific	Worksheet F ln 20.(E) (Note L)	33,073	TP	0.96449	31,899
90	Acct 930.1 - Only safety related ads -Direct	Worksheet F ln 37.(E) (Note L)	-	TP	0.96449	-
91	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F ln 43.(E) (Note L)	425,604	DA	1.00000	425,604
92	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C (Note M)	(32,975,997)	W/S	0.04379	(1,444,059)
93	A & G Subtotal	(sum lns 87 to 92)	77,172,954			3,062,838
94	O & M EXPENSE SUBTOTAL	(ln 78 + ln 93)	94,606,954			19,877,755
95	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		-	DA	1.00000	-
96	TOTAL O & M EXPENSE	(ln 94 + ln 95)	94,606,954			19,877,755
97	DEPRECIATION AND AMORTIZATION EXPENSE					
98	Production	336.2-6.f	253,988,000	NA	0.00000	-
99	Distribution	336.8.f	93,794,000	NA	0.00000	-
100	Transmission	336.7.f	36,842,000	TP1	0.97852	36,050,494
101	General	336.10.f	7,017,000	W/S	0.04379	307,283
102	Intangible	336.1.f	36,142,000	W/S	0.04379	1,582,702
103	TOTAL DEPRECIATION AND AMORTIZATI0N	(Ln 98+99+ 100+101+102)	427,783,000			37,940,479
104	TAXES OTHER THAN INCOME	(Note N)				
105	Labor Related					
106	Payroll	Worksheet H ln 23.(D)	13,726,420	W/S	0.04379	601,097
107	Plant Related					
108	Property	Worksheet H-1 ln 3.(C) & 3.(G)	69,680,000	DA		10,787,076
109	Gross Receipts/Sales & Use	Worksheet H ln 23.(F)	22,834,481	NA	0.00000	-
110	Other	Worksheet H ln 23.(E)	2,442,000	GP	0.18052	440,838
111	TOTAL OTHER TAXES	(sum lns 106 to 110)	108,682,901			11,829,011
112	INCOME TAXES	(Note O)				
113	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		25.31%			
114	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		23.65%			
115	where WCLTD=(ln 154) and WACC = (ln 157)					
116	and FIT, SIT & p are as given in Note O.					
117	GRCF=1 / (1 - T) = (from ln 113)		1.3389			
118	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	(4,542,000)			
119	Excess Deferred Income Tax	(Note U)	(40,220,320)	DA		(3,234,360)
120	Tax Effect of Permanent and Flow-Through Differences	(Note U)	6,037,154	DA		1,336,565
121	Income Tax Calculation	(ln 114 * ln 126)	84,867,110			15,318,398
122	ITC adjustment	(ln 117 * ln 118)	(6,081,412)	GP	0.18052	(1,097,836)
123	Excess Deferred Income Tax	(ln 117 * ln 119)	(53,852,123)			(4,330,576)
124	Tax Effect of Permanent and Flow-Through Differences	(ln 117 * ln 120)	8,083,316			1,789,565
125	TOTAL INCOME TAXES	(sum lns 121 to 124)	33,016,890			11,679,550
126	RETURN ON RATE BASE (Rate Base*WACC)	(ln 68 * ln 157)	358,835,870			64,769,386
127	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, ln 2.(B))		155,635	DA	1.00000	155,635
128	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, ln 4, Cols. ((F) & (H))		-			-
129	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (ln 128 * ln114)		-			-
130	TOTAL REVENUE REQUIREMENT (sum lns 96, 103, 111, 125, 126, 127, 128, 129)		1,023,081,250			146,251,816

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SUPPORTING CALCULATIONS

ln No.									
	TRANSMISSION PLANT INCLUDED IN PJM TARIFF								
131	Total transmission plant	(ln 21)							1,661,809,000
132	Less transmission plant excluded from PJM Tariff (Worksheet A, ln 42, Col. (d)) (Note P)								-
133	Less transmission plant included in OATT Ancillary Services (Worksheet A, ln 42, Col. (b)) (Note Q)								59,011,000
134	Transmission plant included in PJM Tariff	(ln 131 - ln 132 - ln 133)							1,602,798,000
135	Percent of transmission plant in PJM Tariff	(ln 134 / ln 131)						**TP=**	**0.96449**
				Payroll Billed from					
136	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	AEP Service Corp.	Total				
137	Production	354.20.b	138,364,857	13,927,125	152,291,982	NA	0.00000		-
138	Transmission	354.21.b	4,694,379	4,125,761	8,820,140	TP	0.96449		8,506,936
139	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000		-
140	Distribution	354.23.b	18,765,801	2,176,682	20,942,483	NA	0.00000		-
141	Other (Excludes A&G)	354.24,25,26.b	7,301,753	4,904,870	12,206,623	NA	0.00000		-
142	Total	(sum lns 137 to 141)	169,126,790	25,134,438	194,261,228				8,506,936
143	Transmission related amount							**W/S=**	**0.04379**
144	WEIGHTED AVERAGE COST OF CAPITAL (WACC)								$
145	Long Term Interest	(Worksheet M, ln. 37, col. (d))							119,498,000
146	Preferred Dividends	(Worksheet M, ln. 71)							-
147	<u>Development of Common Stock:</u>								
148	Proprietary Capital	(Worksheet M, ln. 14, col. (b))							2,647,312,000
149	Less: Preferred Stock	(Worksheet M, ln. 14, col. (c))							-
150	Less: Account 216.1	(Worksheet M, ln. 14, col. (d))							(6,169,000)
151	Less: Account 219	(Worksheet M, ln. 14, col. (e))							(12,596,000)
152	Common Stock	(ln 148 - ln 149 - ln 150 - ln 151)							2,666,077,000
					apital Structure Percentages		Cost		
153				$	%	Cap Limit	(Note S)		Weighted
154	Long Term Debt (Note T) Worksheet M, ln 28, col. (g), ln 38, col. (d))			2,813,483,000	51.35%	51.35%	4.25%		0.0218
155	Preferred Stock (ln 149)			-	0.00%	0.00%	-		0.0000
156	Common Stock (ln 152)			2,666,077,000	48.65%	48.65%	10.35%		0.0504
157	Total (Sum lns 154 to 156)			5,479,560,000				**WACC=**	**0.0722**
158	Capital Structure Equity Limit (Note Z)	55%							

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Letter	Notes

General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X

A Revenue credits include:
1) Forfeited Discounts.
2) Miscellaneous Service Revenues.
3) Rental revenues earned on assets included in the rate base.
4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.
5) Other electric revenues.
6) Revenues for grandfathered PTP contracts included in the load divisor.
7) If AEP East companies have any directly assigned transmission facilities, the revenue credits in the AEP East formula rate shall include all revenues associated with those directly assigned transmission facilities, irrespective of whether the loads of the customer are included in the formula rate divisor; provided however, such addition to revenue credits shall not be reflected if the costs of such directly assigned transmission facilities are not included in the transmission plant balances on which the formula rate ATRR is based.
See Worksheet E for details.

B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's. Interest will be calculated based on Worksheet Q and any over under recovery will be filed and posted as part of the informational filing.

C Transmission Plant Balances in this study are projected or actual average of 13-month balances.

D The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flowthrough and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated.
In compliance with FERC Rulemaking the calculation of ADIT in the annual projection will be performed in accordance with IRS regulation Section1.167(l)-l(h)(6)(ii).
RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B.
The company will not include the ADIT portion of deferred hedge gains and losses in rate base. Detailed balances for the projected or actual period, distinguished between utility and non-utility balances, will be filed and posted as part of the information filing.

E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 78. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 75.
2) Costs of Transmission of Electricity by Others, as described in Note H.
3) The impact of state regulatory deferrals and amortizations, as shown on line 77
4) All A&G Expenses, as shown on line 93.

F Consistent with Paragraph 657 of Order 2003-A, the amount on line 67 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 127.

G Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 16 & 17 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.

H Removes cost of transmission service provided by others to determine the basis of cash working capital on line 78. To the extent such service is incurred to provide the PJM service at issue, e.g. lease payments to affiliates, such cost is added back on line 95 to determine the total O&M collected in the formula. The amounts on line 95 is also excluded in the calculation of the FCR percentage calculated on lines 6 through 12.
The addbacks on line 95 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity.
The company records referenced on line 95 is the Indiana Michigan Power Company general ledger.

I Removes the impact of state regulatory deferrals or their amortization from Transmission O&M expense.

J General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.

K These deductions on lines 81 through 83 are to remove from the cost of service the expenses recorded by the company for Postemployment Benefits Other than Pensions (PBOP). See Note M below for the recoverable PBOP expense.

L Expenses recorded in FERC Accounts 928 (Regulatory Commission Expense), 930.1 (Safety Related Advertising) and 930.2 (Miscellaneouse General Expenses) that are not directly related to or properly allocable to transmission service will be removed from the TCOS. If AEP includes any expenses booked to these accounts in future ATRR updates, AEP must provide supporting information demonstrating that the underlying activities are directly related to providing transmission service. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.

M See note K above. Per the settlement in Docket ER08-1329, recoverable PBOP expense is based on an annual total for the operating companies that is ratioed to them based on the total of actual annual PBOP costs, including charges from the AEP Service Corportation. The calculation of the recoverable amount for each company is shown on Worksheet O.

N Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.

O The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT.
A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)
(ln 118) multiplied by (1/1-T) . If the applicable tax rates are zero enter 0.

Inputs Required:			
	FIT =	21.00%	
	SIT=	5.46%	(State Income Tax Rate or Composite SIT. Worksheet G))
	p =	0.00%	(percent of federal income tax deductible for state purposes)

The formula rate shall reflect the applicable state and federal statutory tax rates in effect during the period the calculated estimated unit charges are applicable.
If the statutory tax rates change during such period, the effective tax rates used in the formula shall be weighted by the number of days the pre-change rate and post-change rate each is in effect.

P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.

Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.

R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.

S Long Term Debt cost rate = Long-Term Interest (ln 145) / Long-Term Debt (ln 154). Preferred Stock cost rate = preferred dividends (ln 146) / preferred outstanding (ln 155).
Common Stock cost rate (ROE) = 10.35%, the rate accepted by FERC in Docket No. ER08-1329. It includes an additional 50 basis points for PJM RTO Membership.
The amount of eligible hedging gains or losses included in total interest expense is limited to five basis points of the capital structure. Details and calculations of the weighted average cost of captial are shown on Worksheet M.
Eligible Hedging Gains and Losses are computed on Worksheet M.The unamortized balance of eligible hedge gains/losses and related ADIT amounts shall not flow through the formula rate.

T The Long Term Debt balance for I&M includes the accumulated balance of principle and related interest for Spent Nuclear Fuel Disposal Costs collected prior to April 7, 1983.
This total balance of $265,249,280 at 12/31/12 is not included in the balance in line 154 above.
The cost rates for long-term debt shall include interest expense and related periodic expenses (such as remarketing and letter of credit fees) as recorded in FERC Account 427 or 430, amortization of issuance costs (including insurance) and discounts as recorded in FERC Account 428, issuance premiums as recorded in FERC Account 429 and losses or gains on reacquired debt as recorded in FERC Accounts 428.1 or 429.1, respectively. The cost rates for preferred stock (if applicable) shall include the dividends.

U Excess / (Deficit) Deferred Income Taxes will be amortized over the average remaining life of the assets to which it relates, unless the Commission requires a different amortization period. The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State tax calculations that are not the result of a timing difference, including but not limited to depreciation related to capitalized AFUDC equity and meals and entertainment deductions. The Tax Effect of Flow-Through differences captures current tax expense related to timing differences on items for which tax deductions were used to reduce customer rates through the use of flow-through accounting in a prior period. Transmission balances for the projected or actual period, will be filed and posted as part of the informational filing.

V Cash investment in prepaid pension and benefits recorded in FERC Account 165 is permitted to be included in the formula. A labor expense allocation factor will be used to allocate total company costs. All other prepayments recorded in FERC Account 165 are directly assigned to the transmission function, allocated or excludable balances detailed on Worksheet C.

W The formula rate shall allocate property tax expense based on the as filed net plant cost allocation method detailed on Worksheet H.

X Under Section 30.9 of the PJM OATT, a network customer that owns existing transmission facilities that are integrated with the Transmission Provider's Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. Calculation of any credit under this subsection, pursuant to approval by FERC for inclusion in this formula rate for collection on behalf of the network customer, shall be addressed in either the Network Customer's Service Agreement or any other agreement between the parties.

Y The cost of service will make a rate base adjustment to remove unfunded reserves associated with contingent liabilites recorded to Accounts 228.1-228.4 from rate base.

Z Per the settlement in EL17-13, equity is limited to 55% in of the Company's capital structure. If the percentage of actual equity exceeds the cap, the excess is included as long term debt in the capital structure.

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

Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
		Gross Plant In Service								
	(Note A)	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 46	FF1, page 205&204, Col.(g)&(b), lns 15,24,34,44	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	Acct. 359.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 75	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 74	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	Acct. 399.1 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	4,623,900,000	454,415,000	1,638,488,000		2,513,672,000		168,623,000		208,289,000
2	January	4,621,325,000	454,407,000	1,638,068,000		2,529,650,000		168,901,000		238,059,000
3	February	4,616,907,000	454,401,000	1,639,222,000		2,548,603,000		169,167,000		241,938,000
4	March	4,660,068,000	454,396,000	1,643,032,000		2,561,520,000		169,410,000		244,630,000
5	April	4,655,397,000	454,392,000	1,644,379,000		2,580,061,000		169,634,000		248,114,000
6	May	4,784,576,000	454,389,000	1,648,582,000		2,596,575,000		169,848,000		251,604,000
7	June	4,783,352,000	454,386,000	1,655,231,000		2,622,358,000		170,055,000		252,620,000
8	July	4,782,327,000	454,385,000	1,655,749,000		2,641,261,000		170,255,000		256,468,000
9	August	4,778,610,000	454,383,000	1,665,104,000		2,657,855,000		170,471,000		260,287,000
10	September	4,774,447,000	454,382,000	1,675,768,000		2,679,076,000		170,722,000		259,961,000
11	October	4,780,801,000	454,381,000	1,692,176,000		2,697,146,000		170,939,000		264,769,000
12	November	4,789,253,000	454,380,000	1,700,164,000		2,716,296,000		171,156,000		270,573,000
13	December of Rate Year	4,846,244,000	454,380,000	1,707,549,000		2,742,293,000		171,503,000		260,744,000
14	Average of the 13 Monthly Balances	4,730,554,000	454,391,000	1,661,809,000	-	2,622,028,000	-	170,053,000	-	250,620,000

Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
		Accumulated Depreciation								
	(Note A)	FF1, page 219, lns 20-24, Col. (b)	Company Records (Included in total in Column (b))	FF1, page 219, ln 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, ln 26, Col. (b)	Company Records (Included in total in Column (f))	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	1,799,970,000	136,565,000	494,529,000		672,998,000		39,607,000		94,295,000
16	January	1,807,689,000	138,319,000	494,327,000		677,641,000		39,538,000		96,857,000
17	February	1,815,435,000	140,074,000	494,123,000		682,340,000		39,465,000		99,628,000
18	March	1,822,835,000	141,832,000	493,922,000		687,096,000		39,386,000		97,049,000
19	April	1,830,665,000	143,590,000	493,726,000		691,814,000		39,306,000		99,948,000
20	May	1,838,506,000	145,349,000	493,532,000		695,924,000		39,224,000		102,903,000
21	June	1,850,490,000	147,109,000	494,049,000		699,924,000		39,155,000		103,300,000
22	July	1,862,505,000	148,869,000	494,581,000		704,012,000		39,086,000		106,341,000
23	August	1,874,559,000	150,630,000	495,113,000		708,172,000		39,017,000		109,445,000
24	September	1,886,611,000	152,391,000	495,663,000		712,391,000		38,951,000		108,469,000
25	October	1,898,663,000	154,152,000	496,236,000		716,656,000		38,885,000		111,647,000
26	November	1,910,799,000	155,914,000	496,841,000		720,988,000		38,822,000		114,905,000
27	December of Rate Year	1,922,978,000	157,675,000	497,463,000		725,125,000		38,722,000		101,465,000
28	Average of the 13 Monthly Balances	1,855,516,000	147,113,000	494,931,000	-	699,622,000	-	39,166,000	-	103,558,000

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 (b) of accumulated depreciation above)	Excluded Plant - Plant In Service (d) Company Records	Excluded Plant - Accumulated Depreciation (e) Company Records
29	December Prior to Rate Year	59,011,000	10,087,000		
30	January	59,011,000	10,178,000		
31	February	59,011,000	10,269,000		
32	March	59,011,000	10,360,000		
33	April	59,011,000	10,451,000		
34	May	59,011,000	10,542,000		
35	June	59,011,000	10,633,000		
36	July	59,011,000	10,724,000		
37	August	59,011,000	10,815,000		
38	September	59,011,000	10,906,000		
39	October	59,011,000	10,997,000		
40	November	59,011,000	11,088,000		
41	December of Rate Year	59,011,000	11,179,000		
42	Average of the 13 Monthly Balances	59,011,000	10,633,000	-	-
43	Transmission Accum Depreciation net of GSU		484,298,000		

	Plant Held For Future Use (a)	Source of Data (b)	Balance @ December 31, 2020 (c)	Balance @ December 31, 2019 (d)	Average Balance for 2020 (e)
44	**Plant Held For Future Use**	FF1, page 214, ln 47, Col. (d)	1,445,000	1,445,000	1,445,000
45	**Transmission Plant Held For Future Use (Included in total on line 44)**	Company Records - Note 1	208,000	208,000	208,000

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)

52	Description	Account			
53a	Accum Prv I/D Worker's Com		128,000	128,000	128,000
53b					-
54		Total	128,000	128,000	128,000

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

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

Line Number	(A) Description	(B) Source	(C) Balance @ December 31, 2020	(D) Balance @ December 31, 2019	(E) Average Balance for 2020
1	**Account 281**				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, Col. (k)	31,027,095	31,251,227	31,139,161
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)	31,027,095	31,251,227	31,139,161
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)	1,051,159,977	1,061,915,650	1,056,537,813
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)	78,750,861	78,750,861	78,750,861
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)	713,953,244	723,847,377	718,900,311
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	258,455,872	259,317,411	258,886,642
11	**Account 283**				
12	Year End Utility Deferrals	FF1, p. 276 - 277, ln 9, Col. (k)	756,560,082	760,578,786	758,569,434
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)	447,748,774	447,748,774	447,748,774
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)	308,258,785	312,273,498	310,266,142
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	552,523	556,514	554,518
16	**Account 190**				
17	Year End Utility Deferrals	FF1, p. 234, ln 8, Col. (c)	864,786,787	864,786,787	864,786,787
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)	527,060,405	527,060,405	527,060,405
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)	328,759,082	328,759,082	328,759,082
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	8,967,300	8,967,300	8,967,300
21	**Account 255**				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)	29,061,527	25,603,527	27,332,527
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	29,061,527	25,603,527	27,332,527
24	ITC Balances Includeable 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(l)-l(h)(6)(ii). Line item detail of actual deferred tax items will be included on Worksheets B-1 and B-2.

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

Indiana Michigan Power Company
SPECIFIED DEFERRED CREDITS - Actual Cycle Only
PERIOD ENDED DECEMBER 31, 2020

(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 UTILITY	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2019			FUNCTIONALIZATION 12/31/2020		
	ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31-2019	BALANCE AS OF 12-31-2020	BALANCE AS OF 12-31-2019	BALANCE AS OF 12-31-2020	(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		0	0			0	0	0	0						
5.02		0	0			0	0	0	0						
5.03		0	0			0	0	0	0						
5.04		0	0			0	0	0	0						
5.05		0	0			0	0	0	0						
5.06		0	0			0	0	0	0						
5.07		0	0			0	0	0	0						
5.08		0	0			0	0	0	0						
5.09		0	0			0	0	0	0						
5.10		0	0			0	0	0	0						
5.38		0	0			0	0	0	0						
5.39				0	0	0									
5.40				0	0	0									
5.41				0	0	0									
6	TOTAL ACOUNT 282	0	0	0	0	0	0	0	0	0	0	0	0	0	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		0	0			0	0	0	0						
9.02		0	0			0	0	0	0						
9.03		0	0			0	0	0	0						
9.04		0	0			0	0	0	0						
9.05		0	0			0	0	0	0						
9.06		0	0			0	0	0	0						
9.07		0	0			0	0	0	0						
9.08		0	0			0	0	0	0						
9.09		0	0			0	0	0	0						
9.10		0	0			0	0	0	0						
9.93		0	0			0	0	0	0						
9.94				0	0	0									
9.95				0	0	0									
9.96				0	0	0									
9.97				0	0	0									
9.98				0	0	0									
9.99				0	0	0									
10		0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	DEFD STATE INCOME TAXES	0	0			0	0	0	0						
11.01				0	0	0									
12	TOTAL ACCOUNT 283	0	0	0	0	0	0	0	0	0	0	0	0	0	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

Indiana Michigan Power Company
ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 190 - Actual Cycle Only
PERIOD ENDED DECEMBER 31, 2020

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 UTILITY	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2019			FUNCTIONALIZATION 12/31/2020		
	ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31-2019	BALANCE AS OF 12-31-2020	BALANCE AS OF 12-31-2019	BALANCE AS OF 12-31-2020	(B+C+D+E)/2	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1	ACCOUNT 190:														
2.01		0	0			0	0	0	0						
2.02		0	0			0	0	0	0						
2.03		0	0			0	0	0	0						
2.04		0	0			0	0	0	0						
2.05		0	0			0	0	0	0						
2.06		0	0			0	0	0	0						
2.07		0	0			0	0	0	0						
2.08		0	0			0	0	0	0						
2.09		0	0			0	0	0	0						
2.10		0	0			0	0	0	0						
2.79		0	0			0	0	0	0						
2.80				0	0	0									
2.81				0	0	0									
2.82				0	0	0									
2.83				0	0	0									
2.84				0	0	0									
2.85				0	0	0									
2.86				0	0	0									
2.87				0	0	0									
2.88				0	0	0									
2.89				0	0	0									
2.90				0	0	0	0	0	0						
2.91		0	0			0	0	0	0						
3	TOTAL ACCOUNT 190	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	ACCOUNT 190 - ARO-Related Deferals	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

Materials & Supplies

Line Number (A)	(B)	Source (C)	Balance @ December 31, 2020 (D)	Balance @ December 31, 2019 (E)	Average Balance for 2020 (F)
1					
2	Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c) & (b)	2,287,000	2,287,000	2,287,000
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)	275,000	275,000	275,000
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, ln 16, Col. (c) & (b)	0	0	-

Prepayment Balance Summary (Note 1)

Line	(B)	Average of YE Balance (C)	Excludable Balances (D)	100% Transmission Related (E)	Transmission Plant Related (F)	Transmission Labor Related (G)	Total Included in Ratebase (E)+(F)+(G) (H)
5							
6	Totals as of December 31, 2020	16,195,232	(321,184,457)	0	10,391,578	326,988,111	337,379,689
7	Totals as of December 31, 2019	16,195,231	(321,184,457)		10,391,578	326,988,111	337,379,689
8	**Average Balance**	16,195,231	(321,184,457)	-	10,391,578	326,988,111	337,379,689

Prepayments Account 165 - Balance @ 12/31/2020

Line	Acc. No.	Description	2020 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
9									
10	1650001	Prepaid Insurance	6,502,299	-		6,502,299		6,502,299	Plant Related Insurance Policies
11	165000217	Prepaid Taxes	0	-				-	
12	165000218	Prepaid Taxes	1,294,157	1,294,157				-	Prepaid Taxes-Distribution
13	1650003	Prepaid Rents	12,020	12,020				-	River Transport
14	1650005	Prepaid Employee Benefits	0	-				-	
15	1650006	Other Prepayments	2,434,524	2,434,524				-	Relates to EPRI dues
16	1650009	Prepaid Carry Cost-Factored AR	374,759	374,759				-	AR Factoring
17	1650010	Prepaid Pension Benefits	207,362,746	-			207,362,746	207,362,746	Prefunded Pension Expense
18	1650014	FAS 158 Qual Contra Asset	(207,362,746)	(207,362,746)				-	SFAS 158 Offset
19	165001118	Prepaid Sales Taxes	1,226,399	1,226,399				-	Prepaid Sales Tax - Distribution
20	165001218	Prepaid Use Taxes	160,268	160,268				-	Prepaid Use Tax - Distribution
21	1650021	Prepaid Insurance - EIS	3,288,864	-		3,288,864		3,288,864	Energy INS Services
22	1650022	Prepaid SNF Container Costs	0	-				-	
23	1650023	Prepaid Lease	600,415	-		600,415		600,415	Prepaid Leases-All Functions
24	1650026	Prepaid SNF Costs	0	-				-	
25	1650030	Other Payments - Long Term	301,527	301,527				-	Other - Dist
26	1650035	PRW without MED-D Benefits	119,625,365	-			119,625,365	119,625,365	Med-D Benefits
27	1650037	FAS 158 Contra-PRW Exc Med-D	(119,625,365)	(119,625,365)				-	SFAS 158 Offset
28									
29									
30									
31									
		Subtotal - Form 1, p 111.57.c	16,195,232	(321,184,457)	0	10,391,578	326,988,111	337,379,689	

Prepayments Account 165 - Balance @ 12/31/ 2019

Line	Acc. No.	Description	2019 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
32									
33	1650001	Prepaid Insurance	6,502,299	-		6,502,299		6,502,299	Plant Related Insurance Policies
34	165000217	Prepaid Taxes	0	-				-	
35	165000218	Prepaid Taxes	1,294,157	1,294,157				-	Prepaid Taxes-Distribution
36	1650003	Prepaid Rents	12,020	12,020				-	River Transport
37	1650005	Prepaid Employee Benefits	0	-				-	
38	1650006	Other Prepayments	2,434,524	2,434,524				-	Relates to EPRI dues
39	1650009	Prepaid Carry Cost-Factored AR	374,759	374,759				-	AR Factoring
40	1650010	Prepaid Pension Benefits	207,362,746	-			207,362,746	207,362,746	Prefunded Pension Expense
41	1650014	FAS 158 Qual Contra Asset	(207,362,746)	(207,362,746)				-	SFAS 158 Offset
42	165001118	Prepaid Sales Taxes	1,226,399	1,226,399				-	Prepaid Sales Tax - Distribution
43	165001218	Prepaid Use Taxes	160,268	160,268				-	Prepaid Use Tax - Distribution
44	1650021	Prepaid Insurance - EIS	3,288,864	-		3,288,864		3,288,864	Energy INS Services
45	1650022	Prepaid SNF Container Costs	0	-				-	
46	1650023	Prepaid Lease	600,415	-		600,415		600,415	Prepaid Leases-All Functions
47	1650026	Prepaid SNF Costs	0	-				-	
48	1650030	Other Payments - Long Term	301,527	301,527				-	Other - Dist
49	1650035	PRW without MED-D Benefits	119,625,365	-			119,625,365	119,625,365	Med-D Benefits
50	1650037	FAS 158 Contra-PRW Exc Med-D	(119,625,365)	(119,625,365)				-	SFAS 158 Offset
51									
52									
53									
54									
		Subtotal - Form 1, p 111.57.d	16,195,231	(321,184,457)		10,391,578	326,988,111	337,379,689	

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

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

Line Number	(A) Description	(B) 2020
1	Net Funds from IPP Customers 12/31/2019 (2020 FORM 1, P269)	(3,329,542)
2	Interest Accrual (Company Records - Note 1)	(155,635)
3	Revenue Credits to Generators (Company Records - Note 1)	0
4	Other Adjustments	
5	Accounting Adjustment (Company Records - Note 1)	0
6		-
7	Net Funds from IPP Customers 12/31/2020 (2020 FORM 1, P269)	(3,485,177)
8	Average Balance for Year as Indicated in Column B ((ln 1 + ln 7)/2)	(3,407,360)

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

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

Line Number	Description	Total Company	Non-Transmission	Transmission
1	**Account 450, Forfeited Discounts (FF1 p.300.16.(b); Company Records - Note 1)**	8,661,000	8,661,000	
2	**Account 451,Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)**	7,198,000	7,141,213	56,787
3	**Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)**	7,982,000	5,587,418	2,394,582
4	**Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)**	2,307,000	1,707,180	599,820
5	**Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)**	38,595,000	38,595,000	
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))**	64,743,000	61,691,811	3,051,189
7	**Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)**		-	
8	**Total Other Operating Revenues To Reduce Revenue Requirement**	64,743,000	61,691,811	3,051,189

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

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

9	**Facility Credits under PJM OATT Section 30.9**	-

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
Indiana Michigan Power Company

Line Number	(A) Item No.	(B) Description	(C) 2020 Expense	(D) 100% Non-Transmission	(E) 100% Transmission Specific	(F) Explanation
		Regulatory O&M Deferrals & Amortizations				
1						
2						
3						
4		**Total**	0			
		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	1,722,000			
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling				
9	FF1 p 321.88.b	561.4 - Scheduling, System Control & Dispatch	4,968,000			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development				
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	1,383,000			
14		**Total of Account 561**	8,073,000			
		Account 928				
15	9280000	Regulatory Commission Exp	20,517	20,517	-	
16	9280001	Regulatory Commission Exp-Adm	9,869,469	9,869,469	-	
17	9280002	Regulatory Commission Exp-Case	1,648,425	1,648,425	-	
18	9280005	Reg Com Exp-FERC Trans Cases	33,073	-	33,073	
19						
20		**Total (FERC Form 1 p.323.189.b)**	11,571,485	11,538,411	33,073	
		Account 930.1				
21	9301000	General Advertising Expenses	20,837	20,837	-	
22	9301001	Newspaper Advertising Space	7,862	7,862	-	
23	9301002	Radio Station Advertising Time	-	-	-	
24	9301003	TV Station Advertising Time	61	61	-	
25	9301006	Spec Corporate Comm Info Proj	3,084	3,084	-	
26	9301007	Special Adv Space & Prod Exp	-	-	-	
27	9301008	Direct Mail and Handouts	-	-	-	
28	9301009	Fairs, Shows, and Exhibits	-	-	-	
29	9301010	Publicity	1,361	1,361	-	
30	9301011	Dedications, Tours, & Openings	-	-	-	
31	9301012	Public Opinion Surveys	29,346	29,346	-	
32	9301013	Movies Slide Films & Speeches	-	-	-	
33	9301014	Video Communications	-	-	-	
34	9301015	Other Corporate Comm Exp	14,717	14,717	-	
35				-	-	
36				-	-	
37		**Total (FERC Form 1 p.323.191.b)**	77,267	77,267	-	
		Account 930.2				
38	9302000	Misc General Expenses	3,787,372	3,787,372		
39	9302003	Corporate & Fiscal Expenses	141,465	141,465		
40	9302004	Research, Develop&Demonstr Exp	3,530	3,530		
41	9302006	Assoc Business Development Materials Sold	106,294	106,294		
42	9302007	Assoc Business Development Exp	1,283,652	858,048	425,604	
43		**Total (FERC Form 1 p.323.192.b)**	5,322,313	4,896,709	425,604	

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

Indiana Corporate Income Tax Rate	5.88%	
Apportionment Factor - Note 2	71.94%	
Effective State Tax Rate		4.23%
Michigan Single Business Tax Rate	6.00%	
Apportionment Factor - Note 2	15.01%	
Effective State Tax Rate		0.90%
West Virginia Corporation Income Tax Rate	6.50%	
Apportionment Factor - Note 2	2.19%	
Effective State Tax Rate		0.14%
Ohio Franchise Tax Rate	0.00%	
Phase-out Factor Note 1	0.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Kentucky Corporation Income Tax Rate	5.00%	
Apportionment Factor - Note 2	0.87%	
Effective State Tax Rate		0.04%
Missouri Corporation Income Tax Rate	6.25%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Illinois Corporation Income Tax Rate	9.50%	
Apportionment Factor - Note 2	1.55%	
Effective State Tax Rate		0.15%
Total Effective State Income Tax Rate		5.46%

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

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet H Supporting Taxes Other than Income
Indiana Michigan Power Company

Line No.	(A) Account	(B) Total Company NOTE 1	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
1	**Revenue Taxes**					
2	Gross Receipts Tax	22,709,481				22,709,481
3	**Real Estate and Personal Property Taxes**					
4	Real and Personal Property - Michigan	48,776,000	48,776,000			
5	Real and Personal Property - Indiana	20,904,000	20,904,000			
6	Real and Personal Property - Other Jurisdictions	-	-			
7	**Payroll Taxes**					
8	Federal Insurance Contribution (FICA)	13,340,420		13,340,420		
9	Federal Unemployment Tax	64,000		64,000		
10	State Unemployment Insurance	322,000		322,000		
11	**Production Taxes**					
12	State Severance Taxes	-				-
13	**Miscellaneous Taxes**					
14	State Business & Occupation Tax	-				-
15	State Public Service Commission Fees	2,442,000			2,442,000	
16	State Franchise Taxes	-			-	
17	State Lic/Registration Fee	-			-	
18	Misc. State and Local Tax	-			-	
19	Sales & Use	125,000				125,000
20	Federal Excise Tax	-				-
21	Michigan Single Business Tax	-				-
22						
23	Total Taxes by Allocable Basis	108,682,901	69,680,000	13,726,420	2,442,000	22,834,481
	(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

Line No.	Account	Production	Transmission	Distribution	General	Total
24	Functionalized Net Plant (TCOS, Lns 41 thru 46)	2,567,760,000	1,166,878,000	1,922,406,000	130,887,000	5,787,931,000
	MICHIGAN JURISDICTION					
25	Percentage of Plant in MICHIGAN JURISDICTION	79.22%	15.96%	19.28%	15.17%	
26	Net Plant in MICHIGAN JURISDICTION (Ln 24 * Ln 25)	2,034,179,472	186,233,729	370,639,877	19,855,558	2,610,908,636
27	Less: Net Value of Exempted Generation Plant	195,376,822				
28	Taxable Property Basis (Ln 26 - Ln 27)	1,838,802,650	186,233,729	370,639,877	19,855,558	2,415,531,814
29	Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
30	Weighted Net Plant (Ln 28 * Ln 29)	1,838,802,650	186,233,729	370,639,877	19,855,558	
31	General Plant Allocator (Ln 30 / (Total - General Plant))	76.76%	7.77%	15.47%	-100.00%	
32	Functionalized General Plant (Ln 31 * General Plant)	15,240,145	1,543,520	3,071,893	(19,855,558)	-
33	Weighted MICHIGAN JURISDICTION Plant (Ln 30 + 32)	1,854,042,795	187,777,249	373,711,770	(0)	2,415,531,814
34	Functional Percentage (Ln 33/Total Ln 33)	76.76%	7.77%	15.47%		
	INDIANA JURISDICTION					
35	Percentage of Plant in INDIANA JURISDICTION	20.78%	84.04%	80.72%	84.79%	
36	Net Plant in INDIANA JURISDICTION (Ln 24 * Ln 35)	533,580,528	980,644,271	1,551,766,123	110,979,087	3,176,970,010
37	Less: Net Value of Exempted Generation Plant	135,562,503				
38	Taxable Property Basis (Ln 36 - Ln 37)	398,018,025	980,644,271	1,551,766,123	110,979,087	3,041,407,507
39	Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
40	Weighted Net Plant (Ln 38 * Ln 39)	398,018,025	980,644,271	1,551,766,123	110,979,087	
41	General Plant Allocator (Ln 40 / (Total - General Plant))	13.58%	33.46%	52.95%	-100.00%	
42	Functionalized General Plant (Ln 41 * General Plant)	15,073,454	37,138,258	58,767,376	(110,979,087)	-
43	Weighted INDIANA JURISDICTION Plant (Ln 40 + 42)	413,091,479	1,017,782,529	1,610,533,499	0	3,041,407,507
44	Functional Percentage (Ln 43/Total Ln 43)	13.58%	33.46%	52.95%		
45	Total Other Jurisdictions: (Line 6 * Net Plant Allocator)	-	-	-	-	-

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet H-1 Form 1 Source Reference of Company Amounts on WS H
Indiana Michigan Power Company

Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference
1	**Revenue Taxes**			
2	Gross Receipts Tax	22,709,481		
			22,709,481	

Line No.	(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)**		**69,680,000**				**10,787,076**
4	Real and Personal Property - Michigan		48,776,000				3,791,721
		2020		48,776,000		7.77%	3,791,721
							-
							-
							-
							-
5	Real and Personal Property - Indiana		20,904,000				6,995,355
		2020		20,904,000		33.46%	6,995,355
							-
							-
							-
							-
							-
							-
							-
							-
6	Real and Personal Property - Other		-				-
				-			-
							-
							-
							-
							-
			-				-
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)	13,340,420		
			13,340,420	
10	Federal Unemployment Tax	64,000		
			64,000	
11	State Unemployment Insurance	322,000		
			322,000	
12	**Production Taxes**	-		
13	State Severance Taxes			
14	**Miscellaneous Taxes**			
15	State Business & Occupation Tax	-		
16	State Public Service Commission Fees	2,442,000		
			2,442,000	
17	State Franchise Taxes	-		
18	State Lic/Registration Fee	-		
19	Misc. State and Local Tax	-		
20	Sales & Use	125,000		
			125,000	
21	Federal Excise Tax	-		
22	Michigan Single Business Tax	-		
23	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	108,682,901	108,682,901	

Note 1: The taxes assessed on each operating company can differ from year to year and between operating companies by both the type of taxes and the states in which they were assessed. Therefore, for each company, the types and jurisdictions of tax expense recorded on this page could differ from the same page in the same company's prior year template or from this page in other operating companies' current year templates. For each update, this sheet will be revised to ensure that the total activity recorded hereon equals the total reported in account 408.1 on P. 114, Ln 14.(c) of the Ferc Form 1.

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

AEP East Companies
Cost of Service Formula Rate Using 2020 FF1 Balances
Worksheet I RESERVED FOR FUTURE USE
Indiana Michigan Power Company

AEP East Companies
Cost of Service Formula Rate Using 2020 FF1 Balances
Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
Indiana Michigan Power Company

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS		Rev Require	W Incentives	Incentive Amounts
PROJECTED YEAR	2020	5,012,170	5,012,170	$ -

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

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

ROE w/o incentives (TCOS, ln 156)			10.35%
Project ROE Incentive Adder			
ROE with additional basis point incentive			10.35%

Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 154 through156)

	%	Cost	Weighted cost
Long Term Debt	51.35%	4.25%	2.181%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	48.65%	10.35%	5.036%
		R =	7.217%

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

Rate Base (TCOS, ln 68)	897,507,726
R (from A. above)	7.217%
Return (Rate Base x R)	64,769,386

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

Return (from B. above)	64,769,386
Effective Tax Rate (TCOS, ln 114)	23.65%
Income Tax Calculation (Return x CIT)	15,318,398
ITC Adjustment	(1,097,836)
Excess Deferred Income Tax	(4,330,576)
Tax Affect of Permanent Differences	1,789,565
Income Taxes	11,679,550

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

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

Annual Revenue Requirement (TCOS, ln 1)	146,251,816
Lease Payments (TCOS, Ln 95)	-
Return (TCOS, ln 126)	64,769,386
Income Taxes (TCOS, ln 125)	11,679,550
Annual Revenue Requirement, Less Lease Payments, Return and Taxes	69,802,880

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

Annual Revenue Requirement, Less Lease Payments, Return and Taxes	69,802,880
Return (from I.B. above)	64,769,386
Income Taxes (from I.C. above)	11,679,550
Annual Revenue Requirement, with Basis Point ROE increase	146,251,816
Depreciation (TCOS, ln 100)	36,050,494
Annual Rev. Req, w/ Basis Point ROE increase, less Depreciation	110,201,322

C. Determine FCR with hypothetical basis point ROE increase.

Net Transmission Plant (TCOS, ln 42)	1,118,500,000
Annual Revenue Requirement, with Basis Point ROE increase	146,251,816
FCR with Basis Point increase in ROE	13.08%
Annual Rev. Req, w / Basis Point ROE increase, less Dep.	110,201,322
FCR with Basis Point ROE increase, less Depreciation	9.85%
FCR less Depreciation (TCOS, ln 10)	9.85%
Incremental FCR with Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for 2020 (TCOS, ln 21)	1,602,798,000
Annual Depreciation and Amortization Expense (TCOS, ln 100)	36,050,494
Composite Depreciation Rate	2.25%
Depreciable Life for Composite Depreciation Rate	44.46
Round to nearest whole year	44

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

Current Projected Year ARR	**804,584**
Current Projected Year ARR w/ Incentive	**804,584**
Current Projected Year Incentive ARR	**-**

Project Description:

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

Details			
Investment	8,327,150	Current Year	**2020**
Service Year (yyyy)	2009	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	189,253

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't.From Prior Year Template with Incentives **		
2009	8,327,150	94,627	8,232,523	910,406	910,406	$ -					
2010	8,232,523	189,253	8,043,270	991,048	991,048	$ -	$ 1,408,114		$ 1,408,114		
2011	8,043,270	189,253	7,854,016	972,401	972,401	$ -	$ 1,487,355		$ 1,487,355		
2012	7,854,016	189,253	7,664,763	953,755	953,755	$ -	$ 1,319,695		$ 1,319,695		
2013	7,664,763	189,253	7,475,510	935,109	935,109	$ -	$ 1,272,484		$ 1,272,484		
2014	7,475,510	189,253	7,286,256	916,462	916,462	$ -	$ 1,249,385		$ 1,249,385		
2015	7,286,256	189,253	7,097,003	897,816	897,816	$ -	$ 1,278,273		$ 1,278,273		
2016	7,097,003	189,253	6,907,749	879,169	879,169	$ -	$ 1,254,654		$ 1,254,654		
2017	6,907,749	189,253	6,718,496	860,523	860,523	$ -	$ 1,132,871		$ 1,132,871		
2018	6,718,496	189,253	6,529,243	841,877	841,877	$ -	$ 933,326		$ 933,326		
2019	6,529,243	189,253	6,339,989	823,230	823,230	$ -	$ 856,880		$ 856,880		
2020	6,339,989	189,253	6,150,736	804,584	804,584	$ -					
2021	6,150,736	189,253	5,961,482	785,938	785,938	$ -					
2022	5,961,482	189,253	5,772,229	767,291	767,291	$ -					
2023	5,772,229	189,253	5,582,976	748,645	748,645	$ -					
2024	5,582,976	189,253	5,393,722	729,998	729,998	$ -					
2025	5,393,722	189,253	5,204,469	711,352	711,352	$ -					
2026	5,204,469	189,253	5,015,215	692,706	692,706	$ -					
2027	5,015,215	189,253	4,825,962	674,059	674,059	$ -					
2028	4,825,962	189,253	4,636,709	655,413	655,413	$ -					
2029	4,636,709	189,253	4,447,455	636,767	636,767	$ -					
2030	4,447,455	189,253	4,258,202	618,120	618,120	$ -					
2031	4,258,202	189,253	4,068,948	599,474	599,474	$ -					
2032	4,068,948	189,253	3,879,695	580,827	580,827	$ -					
2033	3,879,695	189,253	3,690,441	562,181	562,181	$ -					
2034	3,690,441	189,253	3,501,188	543,535	543,535	$ -					
2035	3,501,188	189,253	3,311,935	524,888	524,888	$ -					
2036	3,311,935	189,253	3,122,681	506,242	506,242	$ -					
2037	3,122,681	189,253	2,933,428	487,595	487,595	$ -					
2038	2,933,428	189,253	2,744,174	468,949	468,949	$ -					
2039	2,744,174	189,253	2,554,921	450,303	450,303	$ -					
2040	2,554,921	189,253	2,365,668	431,656	431,656	$ -					
2041	2,365,668	189,253	2,176,414	413,010	413,010	$ -					
2042	2,176,414	189,253	1,987,161	394,364	394,364	$ -					
2043	1,987,161	189,253	1,797,907	375,717	375,717	$ -					
2044	1,797,907	189,253	1,608,654	357,071	357,071	$ -					
2045	1,608,654	189,253	1,419,401	338,424	338,424	$ -					
2046	1,419,401	189,253	1,230,147	319,778	319,778	$ -					
2047	1,230,147	189,253	1,040,894	301,132	301,132	$ -					
2048	1,040,894	189,253	851,640	282,485	282,485	$ -					
2049	851,640	189,253	662,387	263,839	263,839	$ -					
2050	662,387	189,253	473,134	245,193	245,193	$ -					
2051	473,134	189,253	283,880	226,546	226,546	$ -					
2052	283,880	189,253	94,627	207,900	207,900	$ -					
2053	94,627	94,627	-	99,288	99,288	$ -					
2054	-	-	-	-	-	$ -					
2055	-	-	-	-	-	$ -					
2056	-	-	-	-	-	$ -					
2057	-	-	-	-	-	$ -					
2058	-	-	-	-	-	$ -					
2059	-	-	-	-	-	$ -					
2060	-	-	-	-	-	$ -					
2061	-	-	-	-	-	$ -					
2062	-	-	-	-	-	$ -					
2063	-	-	-	-	-	$ -					
2064	-	-	-	-	-	$ -					
2065	-	-	-	-	-	$ -					
2066	-	-	-	-	-	$ -					
2067	-	-	-	-	-	$ -					
2068	-	-	-	-	-	$ -					
Project Totals		8,327,150		26,787,066	26,787,066	-					

** 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.

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

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

Current Projected Year ARR	**61,867**
Current Projected Year ARR w/ Incentive	**61,867**
Current Projected Year Incentive ARR	**-**

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)**

Details			
Investment	585,981	Current Year	2020
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	13,318

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't.From Prior Year Template with Incentives **
2013	585,981	6,659	579,322	64,065	64,065	$ -	$ 92,625	$ 92,625
2014	579,322	13,318	566,004	69,740	69,740	$ -	$ 87,393	$ 87,393
2015	566,004	13,318	552,687	68,428	68,428	$ -	$ 87,463	$ 87,463
2016	552,687	13,318	539,369	67,116	67,116	$ -	$ 85,936	$ 85,936
2017	539,369	13,318	526,051	65,804	65,804	$ -	$ 77,494	$ 77,494
2018	526,051	13,318	512,733	64,491	64,491	$ -	$ 70,215	$ 70,215
2019	512,733	13,318	499,416	63,179	63,179	$ -	$ 65,616	$ 65,616
2020	499,416	13,318	486,098	61,867	61,867	$ -		
2021	486,098	13,318	472,780	60,555	60,555	$ -		
2022	472,780	13,318	459,462	59,243	59,243	$ -		
2023	459,462	13,318	446,145	57,931	57,931	$ -		
2024	446,145	13,318	432,827	56,619	56,619	$ -		
2025	432,827	13,318	419,509	55,306	55,306	$ -		
2026	419,509	13,318	406,191	53,994	53,994	$ -		
2027	406,191	13,318	392,874	52,682	52,682	$ -		
2028	392,874	13,318	379,556	51,370	51,370	$ -		
2029	379,556	13,318	366,238	50,058	50,058	$ -		
2030	366,238	13,318	352,920	48,746	48,746	$ -		
2031	352,920	13,318	339,603	47,434	47,434	$ -		
2032	339,603	13,318	326,285	46,121	46,121	$ -		
2033	326,285	13,318	312,967	44,809	44,809	$ -		
2034	312,967	13,318	299,649	43,497	43,497	$ -		
2035	299,649	13,318	286,332	42,185	42,185	$ -		
2036	286,332	13,318	273,014	40,873	40,873	$ -		
2037	273,014	13,318	259,696	39,561	39,561	$ -		
2038	259,696	13,318	246,378	38,248	38,248	$ -		
2039	246,378	13,318	233,061	36,936	36,936	$ -		
2040	233,061	13,318	219,743	35,624	35,624	$ -		
2041	219,743	13,318	206,425	34,312	34,312	$ -		
2042	206,425	13,318	193,107	33,000	33,000	$ -		
2043	193,107	13,318	179,790	31,688	31,688	$ -		
2044	179,790	13,318	166,472	30,376	30,376	$ -		
2045	166,472	13,318	153,154	29,063	29,063	$ -		
2046	153,154	13,318	139,836	27,751	27,751	$ -		
2047	139,836	13,318	126,519	26,439	26,439	$ -		
2048	126,519	13,318	113,201	25,127	25,127	$ -		
2049	113,201	13,318	99,883	23,815	23,815	$ -		
2050	99,883	13,318	86,565	22,503	22,503	$ -		
2051	86,565	13,318	73,248	21,191	21,191	$ -		
2052	73,248	13,318	59,930	19,878	19,878	$ -		
2053	59,930	13,318	46,612	18,566	18,566	$ -		
2054	46,612	13,318	33,294	17,254	17,254	$ -		
2055	33,294	13,318	19,977	15,942	15,942	$ -		
2056	19,977	13,318	6,659	14,630	14,630	$ -		
2057	6,659	6,659	-	6,987	6,987	$ -		
2058	-	-	-	-	-	$ -		
2059	-	-	-	-	-	$ -		
2060	-	-	-	-	-	$ -		
2061	-	-	-	-	-	$ -		
2062	-	-	-	-	-	$ -		
2063	-	-	-	-	-	$ -		
2064	-	-	-	-	-	$ -		
2065	-	-	-	-	-	$ -		
2066	-	-	-	-	-	$ -		
2067	-	-	-	-	-	$ -		
2068	-	-	-	-	-	$ -		
2069	-	-	-	-	-	$ -		
2070	-	-	-	-	-	$ -		
2071	-	-	-	-	-	$ -		
2072	-	-	-	-	-	$ -		
Project Totals		585,981		1,885,004	1,885,004	-		

** 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.

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

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

Project Description: **RTEP ID: b1465.3 (Transpose the Rockport - Sullivan 765 kV line and the Rockport - Jefferson 765 kV line)**

Current Projected Year ARR	**2,310,007**
Current Projected Year ARR w/ Incentive	**2,310,007**
Current Projected Year Incentive ARR	**-**

Details			
Investment	21,957,101	Current Year	**2020**
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	4	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	499,025

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't.From Prior Year Template with Incentives **
2013	21,957,101	332,683	21,624,418	2,479,640	2,479,640	$ -	$ 1,301,059	$ 1,301,059
2014	21,624,418	499,025	21,125,393	2,605,009	2,605,009	$ -	$ 3,243,481	$ 3,243,481
2015	21,125,393	499,025	20,626,368	2,555,842	2,555,842	$ -	$ 3,604,460	$ 3,604,460
2016	20,626,368	499,025	20,127,343	2,506,675	2,506,675	$ -	$ 3,506,792	$ 3,506,792
2017	20,127,343	499,025	19,628,318	2,457,508	2,457,508	$ -	$ 3,162,406	$ 3,162,406
2018	19,628,318	499,025	19,129,293	2,408,341	2,408,341	$ -	$ 2,623,914	$ 2,623,914
2019	19,129,293	499,025	18,630,268	2,359,174	2,359,174	$ -	$ 2,433,873	$ 2,433,873
2020	18,630,268	499,025	18,131,242	2,310,007	2,310,007	$ -		
2021	18,131,242	499,025	17,632,217	2,260,840	2,260,840	$ -		
2022	17,632,217	499,025	17,133,192	2,211,673	2,211,673	$ -		
2023	17,133,192	499,025	16,634,167	2,162,506	2,162,506	$ -		
2024	16,634,167	499,025	16,135,142	2,113,339	2,113,339	$ -		
2025	16,135,142	499,025	15,636,117	2,064,172	2,064,172	$ -		
2026	15,636,117	499,025	15,137,092	2,015,006	2,015,006	$ -		
2027	15,137,092	499,025	14,638,067	1,965,839	1,965,839	$ -		
2028	14,638,067	499,025	14,139,042	1,916,672	1,916,672	$ -		
2029	14,139,042	499,025	13,640,017	1,867,505	1,867,505	$ -		
2030	13,640,017	499,025	13,140,992	1,818,338	1,818,338	$ -		
2031	13,140,992	499,025	12,641,967	1,769,171	1,769,171	$ -		
2032	12,641,967	499,025	12,142,942	1,720,004	1,720,004	$ -		
2033	12,142,942	499,025	11,643,917	1,670,837	1,670,837	$ -		
2034	11,643,917	499,025	11,144,892	1,621,670	1,621,670	$ -		
2035	11,144,892	499,025	10,645,867	1,572,503	1,572,503	$ -		
2036	10,645,867	499,025	10,146,842	1,523,336	1,523,336	$ -		
2037	10,146,842	499,025	9,647,817	1,474,169	1,474,169	$ -		
2038	9,647,817	499,025	9,148,792	1,425,002	1,425,002	$ -		
2039	9,148,792	499,025	8,649,767	1,375,835	1,375,835	$ -		
2040	8,649,767	499,025	8,150,742	1,326,668	1,326,668	$ -		
2041	8,150,742	499,025	7,651,717	1,277,502	1,277,502	$ -		
2042	7,651,717	499,025	7,152,692	1,228,335	1,228,335	$ -		
2043	7,152,692	499,025	6,653,667	1,179,168	1,179,168	$ -		
2044	6,653,667	499,025	6,154,642	1,130,001	1,130,001	$ -		
2045	6,154,642	499,025	5,655,617	1,080,834	1,080,834	$ -		
2046	5,655,617	499,025	5,156,592	1,031,667	1,031,667	$ -		
2047	5,156,592	499,025	4,657,567	982,500	982,500	$ -		
2048	4,657,567	499,025	4,158,542	933,333	933,333	$ -		
2049	4,158,542	499,025	3,659,517	884,166	884,166	$ -		
2050	3,659,517	499,025	3,160,492	834,999	834,999	$ -		
2051	3,160,492	499,025	2,661,467	785,832	785,832	$ -		
2052	2,661,467	499,025	2,162,442	736,665	736,665	$ -		
2053	2,162,442	499,025	1,663,417	687,498	687,498	$ -		
2054	1,663,417	499,025	1,164,392	638,331	638,331	$ -		
2055	1,164,392	499,025	665,367	589,164	589,164	$ -		
2056	665,367	499,025	166,342	539,997	539,997	$ -		
2057	166,342	166,342	-	174,536	174,536	$ -		
2058	-	-	-	-	-	$ -		
2059	-	-	-	-	-	$ -		
2060	-	-	-	-	-	$ -		
2061	-	-	-	-	-	$ -		
2062	-	-	-	-	-	$ -		
2063	-	-	-	-	-	$ -		
2064	-	-	-	-	-	$ -		
2065	-	-	-	-	-	$ -		
2066	-	-	-	-	-	$ -		
2067	-	-	-	-	-	$ -		
2068	-	-	-	-	-	$ -		
2069	-	-	-	-	-	$ -		
2070	-	-	-	-	-	$ -		
2071	-	-	-	-	-	$ -		
2072	-	-	-	-	-	$ -		
Project Totals		21,957,101		70,271,810	70,271,810	-		

** 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.

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

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	**125,733**
Current Projected Year ARR w/ Incentive	**125,733**
Current Projected Year Incentive ARR	**-**

Details			
Investment	1,112,263	Current Year	**2020**
Service Year (yyyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	25,279

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2016	1,112,263	4,213	1,108,050	113,592	113,592	$ -
2017	1,108,050	25,279	1,082,771	133,205	133,205	$ -
2018	1,082,771	25,279	1,057,492	130,715	130,715	$ -
2019	1,057,492	25,279	1,032,214	128,224	128,224	$ -
2020	1,032,214	25,279	1,006,935	125,733	125,733	$ -
2021	1,006,935	25,279	981,656	123,243	123,243	$ -
2022	981,656	25,279	956,378	120,752	120,752	$ -
2023	956,378	25,279	931,099	118,261	118,261	$ -
2024	931,099	25,279	905,820	115,771	115,771	$ -
2025	905,820	25,279	880,542	113,280	113,280	$ -
2026	880,542	25,279	855,263	110,790	110,790	$ -
2027	855,263	25,279	829,984	108,299	108,299	$ -
2028	829,984	25,279	804,705	105,808	105,808	$ -
2029	804,705	25,279	779,427	103,318	103,318	$ -
2030	779,427	25,279	754,148	100,827	100,827	$ -
2031	754,148	25,279	728,869	98,337	98,337	$ -
2032	728,869	25,279	703,591	95,846	95,846	$ -
2033	703,591	25,279	678,312	93,355	93,355	$ -
2034	678,312	25,279	653,033	90,865	90,865	$ -
2035	653,033	25,279	627,754	88,374	88,374	$ -
2036	627,754	25,279	602,476	85,884	85,884	$ -
2037	602,476	25,279	577,197	83,393	83,393	$ -
2038	577,197	25,279	551,918	80,902	80,902	$ -
2039	551,918	25,279	526,640	78,412	78,412	$ -
2040	526,640	25,279	501,361	75,921	75,921	$ -
2041	501,361	25,279	476,082	73,430	73,430	$ -
2042	476,082	25,279	450,804	70,940	70,940	$ -
2043	450,804	25,279	425,525	68,449	68,449	$ -
2044	425,525	25,279	400,246	65,959	65,959	$ -
2045	400,246	25,279	374,967	63,468	63,468	$ -
2046	374,967	25,279	349,689	60,977	60,977	$ -
2047	349,689	25,279	324,410	58,487	58,487	$ -
2048	324,410	25,279	299,131	55,996	55,996	$ -
2049	299,131	25,279	273,853	53,506	53,506	$ -
2050	273,853	25,279	248,574	51,015	51,015	$ -
2051	248,574	25,279	223,295	48,524	48,524	$ -
2052	223,295	25,279	198,017	46,034	46,034	$ -
2053	198,017	25,279	172,738	43,543	43,543	$ -
2054	172,738	25,279	147,459	41,053	41,053	$ -
2055	147,459	25,279	122,180	38,562	38,562	$ -
2056	122,180	25,279	96,902	36,071	36,071	$ -
2057	96,902	25,279	71,623	33,581	33,581	$ -
2058	71,623	25,279	46,344	31,090	31,090	$ -
2059	46,344	25,279	21,066	28,600	28,600	$ -
2060	21,066	21,066	-	22,103	22,103	$ -
2061	-	-	-	-	-	$ -
2062	-	-	-	-	-	$ -
2063	-	-	-	-	-	$ -
2064	-	-	-	-	-	$ -
2065	-	-	-	-	-	$ -
2066	-	-	-	-	-	$ -
2067	-	-	-	-	-	$ -
2068	-	-	-	-	-	$ -
2069	-	-	-	-	-	$ -
2070	-	-	-	-	-	$ -
2071	-	-	-	-	-	$ -
2072	-	-	-	-	-	$ -
2073	-	-	-	-	-	$ -
2074	-	-	-	-	-	$ -
2075	-	-	-	-	-	$ -
Project Totals		1,112,263		3,614,495	3,614,495	-

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't.From Prior Year Template with Incentives **		
$ 226,163		$ 226,163		
$ 7,946		$ 7,946		
$ 18,182		$ 18,182		
$ 125,631		$ 125,631		

** 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.

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

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	**87,283**
Current Projected Year ARR w/ Incentive	**87,283**
Current Projected Year Incentive ARR	**-**

Details			
Investment	818,037	Current Year	2020
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	18,592

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't.From Prior Year Template with Incentives **		
2013	818,037	-	818,037	80,598	80,598	$ -	$ -		$ -		
2014	818,037	18,592	799,445	98,274	98,274	$ -	$ 139,756		$ 139,756		
2015	799,445	18,592	780,854	96,442	96,442	$ -	$ 133,078		$ 133,078		
2016	780,854	18,592	762,262	94,610	94,610	$ -	$ 132,118		$ 132,118		
2017	762,262	18,592	743,670	92,778	92,778	$ -	$ 119,121		$ 119,121		
2018	743,670	18,592	725,078	90,947	90,947	$ -	$ 98,812		$ 98,812		
2019	725,078	18,592	706,487	89,115	89,115	$ -	$ 90,112		$ 90,112		
2020	706,487	18,592	687,895	87,283	87,283	$ -					
2021	687,895	18,592	669,303	85,451	85,451	$ -					
2022	669,303	18,592	650,711	83,620	83,620	$ -					
2023	650,711	18,592	632,120	81,788	81,788	$ -					
2024	632,120	18,592	613,528	79,956	79,956	$ -					
2025	613,528	18,592	594,936	78,124	78,124	$ -					
2026	594,936	18,592	576,344	76,293	76,293	$ -					
2027	576,344	18,592	557,753	74,461	74,461	$ -					
2028	557,753	18,592	539,161	72,629	72,629	$ -					
2029	539,161	18,592	520,569	70,797	70,797	$ -					
2030	520,569	18,592	501,977	68,965	68,965	$ -					
2031	501,977	18,592	483,386	67,134	67,134	$ -					
2032	483,386	18,592	464,794	65,302	65,302	$ -					
2033	464,794	18,592	446,202	63,470	63,470	$ -					
2034	446,202	18,592	427,610	61,638	61,638	$ -					
2035	427,610	18,592	409,019	59,807	59,807	$ -					
2036	409,019	18,592	390,427	57,975	57,975	$ -					
2037	390,427	18,592	371,835	56,143	56,143	$ -					
2038	371,835	18,592	353,243	54,311	54,311	$ -					
2039	353,243	18,592	334,652	52,480	52,480	$ -					
2040	334,652	18,592	316,060	50,648	50,648	$ -					
2041	316,060	18,592	297,468	48,816	48,816	$ -					
2042	297,468	18,592	278,876	46,984	46,984	$ -					
2043	278,876	18,592	260,285	45,152	45,152	$ -					
2044	260,285	18,592	241,693	43,321	43,321	$ -					
2045	241,693	18,592	223,101	41,489	41,489	$ -					
2046	223,101	18,592	204,509	39,657	39,657	$ -					
2047	204,509	18,592	185,918	37,825	37,825	$ -					
2048	185,918	18,592	167,326	35,994	35,994	$ -					
2049	167,326	18,592	148,734	34,162	34,162	$ -					
2050	148,734	18,592	130,142	32,330	32,330	$ -					
2051	130,142	18,592	111,551	30,498	30,498	$ -					
2052	111,551	18,592	92,959	28,666	28,666	$ -					
2053	92,959	18,592	74,367	26,835	26,835	$ -					
2054	74,367	18,592	55,775	25,003	25,003	$ -					
2055	55,775	18,592	37,184	23,171	23,171	$ -					
2056	37,184	18,592	18,592	21,339	21,339	$ -					
2057	18,592	18,592	-	19,508	19,508	$ -					
2058	-	-	-	-	-	$ -					
2059	-	-	-	-	-	$ -					
2060	-	-	-	-	-	$ -					
2061	-	-	-	-	-	$ -					
2062	-	-	-	-	-	$ -					
2063	-	-	-	-	-	$ -					
2064	-	-	-	-	-	$ -					
2065	-	-	-	-	-	$ -					
2066	-	-	-	-	-	$ -					
2067	-	-	-	-	-	$ -					
2068	-	-	-	-	-	$ -					
2069	-	-	-	-	-	$ -					
2070	-	-	-	-	-	$ -					
2071	-	-	-	-	-	$ -					
2072	-	-	-	-	-	$ -					
Project Totals		818,037		2,671,789	2,671,789	-					

** 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.

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

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

Current Projected Year ARR	**1,113,451**
Current Projected Year ARR w/ Incentive	**1,113,451**
Current Projected Year Incentive ARR	**-**

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)**

Details			
Investment	10,256,139	Current Year	2020
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	233,094

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't.From Prior Year Template with Incentives **		
2014	10,256,139	38,849	10,217,290	1,047,431	1,047,431	$ -	$ -		$ -		
2015	10,217,290	233,094	9,984,196	1,228,280	1,228,280	$ -	$ 248,467		$ 248,467		
2016	9,984,196	233,094	9,751,102	1,205,314	1,205,314	$ -	$ 562,247		$ 562,247		
2017	9,751,102	233,094	9,518,008	1,182,348	1,182,348	$ -	$ 1,427,903		$ 1,427,903		
2018	9,518,008	233,094	9,284,914	1,159,382	1,159,382	$ -	$ 1,271,398		$ 1,271,398		
2019	9,284,914	233,094	9,051,820	1,136,416	1,136,416	$ -	$ 1,164,196		$ 1,164,196		
2020	9,051,820	233,094	8,818,726	1,113,451	1,113,451	$ -					
2021	8,818,726	233,094	8,585,632	1,090,485	1,090,485	$ -					
2022	8,585,632	233,094	8,352,537	1,067,519	1,067,519	$ -					
2023	8,352,537	233,094	8,119,443	1,044,553	1,044,553	$ -					
2024	8,119,443	233,094	7,886,349	1,021,587	1,021,587	$ -					
2025	7,886,349	233,094	7,653,255	998,622	998,622	$ -					
2026	7,653,255	233,094	7,420,161	975,656	975,656	$ -					
2027	7,420,161	233,094	7,187,067	952,690	952,690	$ -					
2028	7,187,067	233,094	6,953,973	929,724	929,724	$ -					
2029	6,953,973	233,094	6,720,879	906,758	906,758	$ -					
2030	6,720,879	233,094	6,487,785	883,792	883,792	$ -					
2031	6,487,785	233,094	6,254,691	860,827	860,827	$ -					
2032	6,254,691	233,094	6,021,597	837,861	837,861	$ -					
2033	6,021,597	233,094	5,788,503	814,895	814,895	$ -					
2034	5,788,503	233,094	5,555,409	791,929	791,929	$ -					
2035	5,555,409	233,094	5,322,315	768,963	768,963	$ -					
2036	5,322,315	233,094	5,089,220	745,997	745,997	$ -					
2037	5,089,220	233,094	4,856,126	723,032	723,032	$ -					
2038	4,856,126	233,094	4,623,032	700,066	700,066	$ -					
2039	4,623,032	233,094	4,389,938	677,100	677,100	$ -					
2040	4,389,938	233,094	4,156,844	654,134	654,134	$ -					
2041	4,156,844	233,094	3,923,750	631,168	631,168	$ -					
2042	3,923,750	233,094	3,690,656	608,203	608,203	$ -					
2043	3,690,656	233,094	3,457,562	585,237	585,237	$ -					
2044	3,457,562	233,094	3,224,468	562,271	562,271	$ -					
2045	3,224,468	233,094	2,991,374	539,305	539,305	$ -					
2046	2,991,374	233,094	2,758,280	516,339	516,339	$ -					
2047	2,758,280	233,094	2,525,186	493,373	493,373	$ -					
2048	2,525,186	233,094	2,292,092	470,408	470,408	$ -					
2049	2,292,092	233,094	2,058,998	447,442	447,442	$ -					
2050	2,058,998	233,094	1,825,904	424,476	424,476	$ -					
2051	1,825,904	233,094	1,592,809	401,510	401,510	$ -					
2052	1,592,809	233,094	1,359,715	378,544	378,544	$ -					
2053	1,359,715	233,094	1,126,621	355,578	355,578	$ -					
2054	1,126,621	233,094	893,527	332,613	332,613	$ -					
2055	893,527	233,094	660,433	309,647	309,647	$ -					
2056	660,433	233,094	427,339	286,681	286,681	$ -					
2057	427,339	233,094	194,245	263,715	263,715	$ -					
2058	194,245	194,245	-	203,814	203,814	$ -					
2059	-	-	-	-	-	$ -					
2060	-	-	-	-	-	$ -					
2061	-	-	-	-	-	$ -					
2062	-	-	-	-	-	$ -					
2063	-	-	-	-	-	$ -					
2064	-	-	-	-	-	$ -					
2065	-	-	-	-	-	$ -					
2066	-	-	-	-	-	$ -					
2067	-	-	-	-	-	$ -					
2068	-	-	-	-	-	$ -					
2069	-	-	-	-	-	$ -					
2070	-	-	-	-	-	$ -					
2071	-	-	-	-	-	$ -					
2072	-	-	-	-	-	$ -					
2073	-	-	-	-	-	$ -					
Project Totals		10,256,139		33,329,137	33,329,137	-					

** 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.

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

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

Current Projected Year ARR	**376,071**
Current Projected Year ARR w/ Incentive	**376,071**
Current Projected Year Incentive ARR	**-**

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)**

Details			
Investment	3,315,854	Current Year	**2020**
Service Year (yyyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	75,360

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2016	3,315,854	-	3,315,854	326,698	326,698	$ -
2017	3,315,854	75,360	3,240,494	398,346	398,346	$ -
2018	3,240,494	75,360	3,165,133	390,921	390,921	$ -
2019	3,165,133	75,360	3,089,773	383,496	383,496	$ -
2020	3,089,773	75,360	3,014,413	376,071	376,071	$ -
2021	3,014,413	75,360	2,939,052	368,646	368,646	$ -
2022	2,939,052	75,360	2,863,692	361,221	361,221	$ -
2023	2,863,692	75,360	2,788,332	353,796	353,796	$ -
2024	2,788,332	75,360	2,712,971	346,371	346,371	$ -
2025	2,712,971	75,360	2,637,611	338,946	338,946	$ -
2026	2,637,611	75,360	2,562,251	331,521	331,521	$ -
2027	2,562,251	75,360	2,486,891	324,096	324,096	$ -
2028	2,486,891	75,360	2,411,530	316,671	316,671	$ -
2029	2,411,530	75,360	2,336,170	309,246	309,246	$ -
2030	2,336,170	75,360	2,260,810	301,821	301,821	$ -
2031	2,260,810	75,360	2,185,449	294,396	294,396	$ -
2032	2,185,449	75,360	2,110,089	286,971	286,971	$ -
2033	2,110,089	75,360	2,034,729	279,546	279,546	$ -
2034	2,034,729	75,360	1,959,368	272,121	272,121	$ -
2035	1,959,368	75,360	1,884,008	264,697	264,697	$ -
2036	1,884,008	75,360	1,808,648	257,272	257,272	$ -
2037	1,808,648	75,360	1,733,287	249,847	249,847	$ -
2038	1,733,287	75,360	1,657,927	242,422	242,422	$ -
2039	1,657,927	75,360	1,582,567	234,997	234,997	$ -
2040	1,582,567	75,360	1,507,206	227,572	227,572	$ -
2041	1,507,206	75,360	1,431,846	220,147	220,147	$ -
2042	1,431,846	75,360	1,356,486	212,722	212,722	$ -
2043	1,356,486	75,360	1,281,125	205,297	205,297	$ -
2044	1,281,125	75,360	1,205,765	197,872	197,872	$ -
2045	1,205,765	75,360	1,130,405	190,447	190,447	$ -
2046	1,130,405	75,360	1,055,044	183,022	183,022	$ -
2047	1,055,044	75,360	979,684	175,597	175,597	$ -
2048	979,684	75,360	904,324	168,172	168,172	$ -
2049	904,324	75,360	828,963	160,747	160,747	$ -
2050	828,963	75,360	753,603	153,322	153,322	$ -
2051	753,603	75,360	678,243	145,897	145,897	$ -
2052	678,243	75,360	602,883	138,472	138,472	$ -
2053	602,883	75,360	527,522	131,047	131,047	$ -
2054	527,522	75,360	452,162	123,622	123,622	$ -
2055	452,162	75,360	376,802	116,198	116,198	$ -
2056	376,802	75,360	301,441	108,773	108,773	$ -
2057	301,441	75,360	226,081	101,348	101,348	$ -
2058	226,081	75,360	150,721	93,923	93,923	$ -
2059	150,721	75,360	75,360	86,498	86,498	$ -
2060	75,360	75,360	-	79,073	79,073	$ -
2061	-	-	-	-	-	$ -
2062	-	-	-	-	-	$ -
2063	-	-	-	-	-	$ -
2064	-	-	-	-	-	$ -
2065	-	-	-	-	-	$ -
2066	-	-	-	-	-	$ -
2067	-	-	-	-	-	$ -
2068	-	-	-	-	-	$ -
2069	-	-	-	-	-	$ -
2070	-	-	-	-	-	$ -
2071	-	-	-	-	-	$ -
2072	-	-	-	-	-	$ -
2073	-	-	-	-	-	$ -
2074	-	-	-	-	-	$ -
2075	-	-	-	-	-	$ -
Project Totals		3,315,854		10,829,904	10,829,904	-

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

Investment Year	RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't.From Prior Year Template with Incentives **		
2016	$ 486,138		$ 486,138		
2017	$ 574,408		$ 574,408		
2018	$ 355,679		$ 355,679		
2019	$ 367,592		$ 367,592		

** 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.

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

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	**66,522**
Current Projected Year ARR w/ Incentive	**66,522**
Current Projected Year Incentive ARR	**-**

Details			
Investment	558,946	Current Year	**2020**
Service Year (yyyy)	2019	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	12,703

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2019	558,946	6,352	552,594	61,109	61,109	$ -
2020	552,594	12,703	539,891	66,522	66,522	$ -
2021	539,891	12,703	527,188	65,271	65,271	$ -
2022	527,188	12,703	514,484	64,019	64,019	$ -
2023	514,484	12,703	501,781	62,768	62,768	$ -
2024	501,781	12,703	489,078	61,516	61,516	$ -
2025	489,078	12,703	476,374	60,264	60,264	$ -
2026	476,374	12,703	463,671	59,013	59,013	$ -
2027	463,671	12,703	450,968	57,761	57,761	$ -
2028	450,968	12,703	438,264	56,510	56,510	$ -
2029	438,264	12,703	425,561	55,258	55,258	$ -
2030	425,561	12,703	412,858	54,006	54,006	$ -
2031	412,858	12,703	400,155	52,755	52,755	$ -
2032	400,155	12,703	387,451	51,503	51,503	$ -
2033	387,451	12,703	374,748	50,252	50,252	$ -
2034	374,748	12,703	362,045	49,000	49,000	$ -
2035	362,045	12,703	349,341	47,748	47,748	$ -
2036	349,341	12,703	336,638	46,497	46,497	$ -
2037	336,638	12,703	323,935	45,245	45,245	$ -
2038	323,935	12,703	311,231	43,993	43,993	$ -
2039	311,231	12,703	298,528	42,742	42,742	$ -
2040	298,528	12,703	285,825	41,490	41,490	$ -
2041	285,825	12,703	273,121	40,239	40,239	$ -
2042	273,121	12,703	260,418	38,987	38,987	$ -
2043	260,418	12,703	247,715	37,735	37,735	$ -
2044	247,715	12,703	235,011	36,484	36,484	$ -
2045	235,011	12,703	222,308	35,232	35,232	$ -
2046	222,308	12,703	209,605	33,981	33,981	$ -
2047	209,605	12,703	196,901	32,729	32,729	$ -
2048	196,901	12,703	184,198	31,477	31,477	$ -
2049	184,198	12,703	171,495	30,226	30,226	$ -
2050	171,495	12,703	158,791	28,974	28,974	$ -
2051	158,791	12,703	146,088	27,723	27,723	$ -
2052	146,088	12,703	133,385	26,471	26,471	$ -
2053	133,385	12,703	120,682	25,219	25,219	$ -
2054	120,682	12,703	107,978	23,968	23,968	$ -
2055	107,978	12,703	95,275	22,716	22,716	$ -
2056	95,275	12,703	82,572	21,465	21,465	$ -
2057	82,572	12,703	69,868	20,213	20,213	$ -
2058	69,868	12,703	57,165	18,961	18,961	$ -
2059	57,165	12,703	44,462	17,710	17,710	$ -
2060	44,462	12,703	31,758	16,458	16,458	$ -
2061	31,758	12,703	19,055	15,207	15,207	$ -
2062	19,055	12,703	6,352	13,955	13,955	$ -
2063	6,352	6,352	-	6,665	6,665	$ -
2064	-	-	-	-	-	$ -
2065	-	-	-	-	-	$ -
2066	-	-	-	-	-	$ -
2067	-	-	-	-	-	$ -
2068	-	-	-	-	-	$ -
2069	-	-	-	-	-	$ -
2070	-	-	-	-	-	$ -
2071	-	-	-	-	-	$ -
2072	-	-	-	-	-	$ -
2073	-	-	-	-	-	$ -
2074	-	-	-	-	-	$ -
2075	-	-	-	-	-	$ -
2076	-	-	-	-	-	$ -
2077	-	-	-	-	-	$ -
2078	-	-	-	-	-	$ -
Project Totals		558,946		1,798,037	1,798,037	-

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

Investment Year	RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't.From Prior Year Template with Incentives **		
2019	$ -		$ -		
2020	$ 67,813		$ 67,813		

** 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.

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

I & M Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

Project Description: **RTEP ID: b1465.5 (Make switching improvements at Sullivan and Jefferson 765 kV stations)**

Current Projected Year ARR	**66,652**
Current Projected Year ARR w/ Incentive	**66,652**
Current Projected Year Incentive ARR	**-**

Details			
Investment	633,540	Current Year	2020
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	4	FCR w/o incentives, less depreciation	9.85%
Useful life	44	FCR w/incentives approved for these facilities, less dep.	9.85%
CIAC (Yes or No)	No	Annual Depreciation Expense	14,399

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2013	633,540	9,599	623,941	71,546	71,546	$ -
2014	623,941	14,399	609,542	75,164	75,164	$ -
2015	609,542	14,399	595,144	73,745	73,745	$ -
2016	595,144	14,399	580,745	72,326	72,326	$ -
2017	580,745	14,399	566,346	70,908	70,908	$ -
2018	566,346	14,399	551,948	69,489	69,489	$ -
2019	551,948	14,399	537,549	68,071	68,071	$ -
2020	537,549	14,399	523,150	66,652	66,652	$ -
2021	523,150	14,399	508,752	65,233	65,233	$ -
2022	508,752	14,399	494,353	63,815	63,815	$ -
2023	494,353	14,399	479,955	62,396	62,396	$ -
2024	479,955	14,399	465,556	60,977	60,977	$ -
2025	465,556	14,399	451,157	59,559	59,559	$ -
2026	451,157	14,399	436,759	58,140	58,140	$ -
2027	436,759	14,399	422,360	56,721	56,721	$ -
2028	422,360	14,399	407,961	55,303	55,303	$ -
2029	407,961	14,399	393,563	53,884	53,884	$ -
2030	393,563	14,399	379,164	52,465	52,465	$ -
2031	379,164	14,399	364,765	51,047	51,047	$ -
2032	364,765	14,399	350,367	49,628	49,628	$ -
2033	350,367	14,399	335,968	48,210	48,210	$ -
2034	335,968	14,399	321,570	46,791	46,791	$ -
2035	321,570	14,399	307,171	45,372	45,372	$ -
2036	307,171	14,399	292,772	43,954	43,954	$ -
2037	292,772	14,399	278,374	42,535	42,535	$ -
2038	278,374	14,399	263,975	41,116	41,116	$ -
2039	263,975	14,399	249,576	39,698	39,698	$ -
2040	249,576	14,399	235,178	38,279	38,279	$ -
2041	235,178	14,399	220,779	36,860	36,860	$ -
2042	220,779	14,399	206,380	35,442	35,442	$ -
2043	206,380	14,399	191,982	34,023	34,023	$ -
2044	191,982	14,399	177,583	32,605	32,605	$ -
2045	177,583	14,399	163,185	31,186	31,186	$ -
2046	163,185	14,399	148,786	29,767	29,767	$ -
2047	148,786	14,399	134,387	28,349	28,349	$ -
2048	134,387	14,399	119,989	26,930	26,930	$ -
2049	119,989	14,399	105,590	25,511	25,511	$ -
2050	105,590	14,399	91,191	24,093	24,093	$ -
2051	91,191	14,399	76,793	22,674	22,674	$ -
2052	76,793	14,399	62,394	21,255	21,255	$ -
2053	62,394	14,399	47,995	19,837	19,837	$ -
2054	47,995	14,399	33,597	18,418	18,418	$ -
2055	33,597	14,399	19,198	16,999	16,999	$ -
2056	19,198	14,399	4,800	15,581	15,581	$ -
2057	4,800	4,800	-	5,036	5,036	$ -
2058	-	-	-	-	-	$ -
2059	-	-	-	-	-	$ -
2060	-	-	-	-	-	$ -
2061	-	-	-	-	-	$ -
2062	-	-	-	-	-	$ -
2063	-	-	-	-	-	$ -
2064	-	-	-	-	-	$ -
2065	-	-	-	-	-	$ -
2066	-	-	-	-	-	$ -
2067	-	-	-	-	-	$ -
2068	-	-	-	-	-	$ -
2069	-	-	-	-	-	$ -
2070	-	-	-	-	-	$ -
2071	-	-	-	-	-	$ -
2072	-	-	-	-	-	$ -
Project Totals		633,540		2,027,590	2,027,590	-

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't.From Prior Year Template with Incentives **		
$ -		$ -		
$ -		$ -		

** 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.

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

AEP East Companies
Cost of Service Formula Rate Using 2020 FF1 Balances
Worksheet L Reserved for Future Use
Indiana Michigan Power Company

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

		Average Balance of Common Equity				
Line No	Month (a) (Note A)	Proprietary Capital (b) (FF1 112.16)	Less: Preferred Stock (c) (FF1 250-251)	Less Undistributed Sub Earnings (Acct 216.1) (d) (FF1 112.12)	Less AOCI (Acct 219.1) (e) (FF1 112.15)	Average Balance of Common Equity (f)=(b)-(c)-(d)-(e)
1	December Prior to Rate Year	2,549,600,000		(6,289,000)	(12,768,000)	2,568,657,000
2	January	2,580,013,000		(6,285,000)	(12,739,000)	2,599,037,000
3	February	2,578,389,000		(6,252,000)	(12,711,000)	2,597,352,000
4	March	2,619,254,000		(6,233,000)	(12,682,000)	2,638,169,000
5	April	2,628,620,000		(6,212,000)	(12,653,000)	2,647,485,000
6	May	2,636,893,000		(6,194,000)	(12,625,000)	2,655,712,000
7	June	2,655,184,000		(6,169,000)	(12,596,000)	2,673,949,000
8	July	2,676,214,000		(6,149,000)	(12,568,000)	2,694,931,000
9	August	2,683,370,000		(6,133,000)	(12,539,000)	2,702,042,000
10	September	2,694,901,000		(6,098,000)	(12,510,000)	2,713,509,000
11	October	2,702,827,000		(6,080,000)	(12,482,000)	2,721,389,000
12	November	2,695,148,000		(6,067,000)	(12,453,000)	2,713,668,000
13	December of Rate Year	2,714,647,000		(6,034,000)	(12,424,000)	2,733,105,000
14	Average of the 13 Monthly Balances	2,647,312,000	-	(6,169,000)	(12,596,000)	2,666,077,000

		Average Balance of Long Term Debt					
Line No	Month (a) (Note A)	Acct 221 Bonds (b) (FF1 112.18)	Less: Acct 222 Reacquired Bonds (c) (FF1 112.19)	Acct 223 LT Advances from Assoc. Companies (d) (FF1 112.20)	Acct 224 Senior Unsecured Notes (e) (FF1 112.21)	Less: Fair Value Hedges (f) FF1, page 257, Col. (h) - Note 1	Gross Proceeds Outstanding Long-Term Debt (g)=(b)-(c)+(d)+(e)-(f)
15	December Prior to Rate Year		-		2,628,868,000		2,628,868,000
16	January		-		2,628,868,000		2,628,868,000
17	February		-		2,628,868,000		2,628,868,000
18	March		-		2,628,868,000		2,628,868,000
19	April		-		2,628,868,000		2,628,868,000
20	May		-		2,928,868,000		2,928,868,000
21	June		-		2,928,868,000		2,928,868,000
22	July		-		2,928,868,000		2,928,868,000
23	August		-		2,928,868,000		2,928,868,000
24	September		-		2,928,868,000		2,928,868,000
25	October		-		2,928,868,000		2,928,868,000
26	November		-		2,928,868,000		2,928,868,000
27	December of Rate Year		-		2,928,868,000		2,928,868,000
28	Average of the 13 Monthly Balances	-	-	-	2,813,483,000	-	2,813,483,000

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

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
29	**Annual Interest Expense for 2020**						
30	Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)			115,807,000			
31	Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 50 below.			2,028,278			
32	Plus: Allowed Hedge Recovery From Ln 55 below.			2,028,278			
33	Amort of Debt Discount & Expense - Acct 428 (117.63.c)			2,016,000			
34	Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c)			1,675,000			
35	Less: Amort of Premium on Debt - Acct 429 (117.65.c)						
36	Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c)						
37	**Total Interest Expense (Ln 30 - 31 + 33 + 34 - 35 - 36)**			119,498,000			
38	**Average Cost of Debt for 2020 (Ln 37/ ln 28 (g))**			**4.25%**			

CALCULATION OF RECOVERABLE HEDGE GAINS/LOSSES

39 NOTE: The net amount of hedging gains or losses recorded in account 427 to be recovered in this formula rate should be limited to the effective portion of pre-issuance cash flow hedges that are amortized over the life of the underlying debt issuances. The recovery of a net loss or passback of a net gain will be limited to five basis points of the total Capital Structure. <u>Amounts related to the ineffective portion of pre-issuance hedges, cash settlements of fair value hedges issued on Long Term Debt, post-issuance cash flow hedges, and cash flow hedges of variable rate debt issuances are not recoverable in this formula and are to be recorded in the "Excludable" column below.</u>

	HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	Total Hedge (Gain)/Loss for 2020	Less Excludable Amounts (See NOTE on Line 39)	Net Includable Hedge Amount	Remaining Unamortized Balance	Amortization Period Beginning	Amortization Period Ending
40	Senior Unsecured Notes - Series F			-	-	11/01/04	11/30/14
41	Senior Unsecured Notes - Series G	-		-	-	12/07/05	11/30/15
42	Senior Unsecured Notes - Series H	421,741		421,741	7,644,043	11/14/06	2/28/2037
43	Senior Unsecured Notes - Series J	1,606,537		1,606,537	6,760,643	03/15/13	3/15/2023
44				-			
45				-			
46				-			
47				-			
48				-			
49					14,404,686		
50	Total Hedge Amortization	2,028,278	-				

51	Hedge Gain or Loss Prior to Application of Recovery Limit (Sum of Lines 40 to 48)	2,028,278
52	Total Average Capital Structure Balance for 2020 (TCOS, Ln 157)	5,479,560,000
53	Financial Hedge Recovery Limit - Five Basis Points of Total Capital	0.0005
54	Limit of Recoverable Amount	2,739,780
55	**Recoverable Hedge Amortization (Lesser of Ln 51 or Ln 54)**	**2,028,278**

Development of Cost of Preferred Stock

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

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

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

Note: Gain or loss on plant held for future are recorded in accounts 411.6 or 411.7 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				Net (Gain) or Loss for 2020		-		-	

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

1 Total AEP East Operating Company PBOP Settlement Amount (127,041,505)

Allocation of PBOP Settlement Amount for 2020

Line#	Company	Actual Expense (Including AEPSC Billed OPEB)	Total Company Amount Ratio of Company Actual to Total	Allocation of PBOB Recovery Allowance	Labor Allocator for 2020	Actual Expense	Allowable Expense	One Year Functional Expense (Over)/Under
		(A) **(Line 14)**	**(B)=(A)/Total (A)**	**(C)=(B) * -127041505**	**(D)**	**(E)=(A) * (D)**	**(F)=(C) * (D)**	**(G)=(E) - (F)**
2	APCo	(21,243,233)	36.83%	(46,793,855)	9.272%	(1,969,696)	(4,338,779)	2,369,082
3	I&M	(14,970,273)	25.96%	(32,975,997)	4.367%	(653,716)	(1,439,983)	786,267
4	KPCo	(4,775,930)	8.28%	(10,520,253)	7.919%	(378,188)	(833,058)	454,871
5	KNGP	(455,895)	0.79%	(1,004,230)	12.123%	(55,270)	(121,748)	66,477
6	OPCo	(15,305,203)	26.54%	(33,713,769)	11.486%	(1,757,897)	(3,872,235)	2,114,338
7	WPCo	(923,113)	1.60%	(2,033,401)	2.686%	(24,793)	(54,613)	29,820
8	**Sum of Lines 2 to 7**	(57,673,647)		(127,041,505)		(4,839,561)	(10,660,416)	5,820,855

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

		APCo	I&M	KPCo	KNGSPT	OPCo	WPCo	AEP East Total
9	Direct Charged PBOP Expense per Actuarial Report	(16,451,990)	(12,482,067)	(3,951,629)	(344,539)	(11,517,600)	(427,831)	(45,175,656)
10	Additional PBOP Ledger Entries (from Company Records)	460,632	518,852	427,533			(385,001)	
11	Medicare Subsidy							-
12	Net Company Expense (Ln 9 + Ln 10 + Ln 11)	(15,991,358)	(11,963,215)	(3,524,096) -	(344,539)	(11,517,600)	(812,832)	(44,153,640)
13	PBOP Expenses From AEP Service Corporation (from Company Records)	(5,251,875)	(3,007,058)	(1,251,834)	(111,356)	(3,787,603)	(110,281)	(13,520,007)
14	Company PBOP Expense (Ln 12 + Ln 13)	(21,243,233)	(14,970,273)	(4,775,930)	(455,895)	(15,305,203)	(923,113)	(57,673,647)

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

AEP EAST COMPANIES
Worksheet - P CALCULATION OF
TOTAL WEIGHTED AVERAGE DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNT
EFFECTIVE AS OF 3/6/2019
FOR MULTIPLE JURISDICTION COMPANIES
Appalachian Power Company

		VIRGINIA			**WEST VIRGINIA**			**FERC WHOLESALE**			**FERC KINGSPORT**			**COMPANY**
		(1)			*(2)*			*(3)*			*(4)*			
	PLANT ACCT.	*VA SCC RATES*	*ALLOCATION FACTOR (5)*	*WTD AVG. DEPREC. RATE*	*PSC OF WV APPROVED RATES*	*ALLOCATION FACTOR (5)*	*WTD AVG. DEPREC. RATE*	*FERC RATES*	*ALLOCATION FACTOR (5)*	*WTD AVG. DEPREC. RATE*	*FERC RATES*	*ALLOCATION FACTOR (5)*	*WTD AVG. DEPREC. RATE*	*WTD AVG. DEPREC. RATE*
TRANSMISSION PLANT														
Land Rights - Va.	350.1	0.66%	1.000000	0.66%										0.66%
Energy Storage Equip	351.0				14.22%	1.000000	14.22%							14.22%
Structures & Improvements	352.0	1.55%	0.492648	0.76%	1.62%	0.414603	0.67%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	1.63%
Station Equipment	353.0	1.95%	0.492648	0.96%	2.37%	0.414603	0.98%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	2.14%
Towers & Fixtures	354.0	1.14%	0.492648	0.56%	1.59%	0.414603	0.66%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	1.42%
Poles & Fixtures	355.0	2.77%	0.492648	1.36%	2.71%	0.414603	1.12%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	2.68%
Overhead Conductor	356.0	1.01%	0.492648	0.50%	1.53%	0.414603	0.63%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	1.33%
Underground Conduit	351.0	1.23%	0.492648	0.61%	3.71%	0.414603	1.54%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	2.35%
Underground Conductors	351.0	3.18%	0.492648	1.57%	5.24%	0.414603	2.17%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	3.94%
GENERAL PLANT														
Structures & Improvements	390.0	1.50%	0.519557	0.78%	1.91%	0.425935	0.8100%	3.43%	0.019780	0.0700%	3.43%	0.034728	0.1200%	1.78%
Office Furniture & Equipment	391.0	2.78%	0.519557	1.44%	3.17%	0.425935	1.35%	3.43%	0.019780	0.0700%	3.43%	0.034728	0.1200%	2.98%
Transportation Equipment	392.0	0.00%	0.519557	0.00%	3.40%	0.425935	1.45%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	1.64%
Stores Equipment	393.0	1.60%	0.519557	0.83%	1.80%	0.425935	0.77%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	1.79%
Tools Shop & Garage Equipment	394.0	2.07%	0.519557	1.08%	2.57%	0.425935	1.09%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	2.36%
Laboratory Equipment	395.0	1.53%	0.519557	0.79%	4.01%	0.425935	1.71%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	2.69%
Power Operated Equipment	396.0	0.00%	0.519557	0.00%	3.90%	0.425935	1.66%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	1.85%
Communication Equipment	397.0	3.27%	0.519557	1.70%	4.98%	0.425935	2.12%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	4.01%
Miscellaneous Equipment	398.0	2.51%	0.519557	1.30%	2.70%	0.425935	1.15%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	2.64%

(1) As approved in VA Case No. PUE 2011-00037 on Nov. 30, 2011.
Depreciation rates were made effective on January 1, 2012.

(2) Approved by PSC of WV Order dated May 26, 2015 in
Case No. 14-1151-E-D effective June 1, 2015.

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

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

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

(6) Energy Storage Equipment is a new account established per FERC Order 784.

GENERAL NOTES:

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

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

AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

AEP EAST COMPANIES
Worksheet - P CALCULATION OF
TOTAL WEIGHTED AVERAGE DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNT
EFFECTIVE AS OF October 31, 2018
FOR MULTIPLE JURISDICTION COMPANIES
INDIANA MICHIGAN POWER COMPANY

		INDIANA			**MICHIGAN**			**FERC WHOLESALE**			**COMPANY**
		(1)			*(2)*			*(3)*			
	PLANT ACCT.	*IURC RATES*	*ALLOCATION FACTOR (4)*	*WTD AVG. DEPREC. RATE*	*MPSC APPROVED RATES*	*ALLOCATION FACTOR (4)*	*WTD AVG. DEPREC. RATE*	*FERC RATES*	*ALLOCATION FACTOR (4)*	*WTD AVG. DEPREC. RATE*	*WTD AVG. DEPREC. RATE*
TRANSMISSION PLANT											
Land Improvements	350.1	1.4800%	0.652103	0.9651%	1.4400%	0.144206	0.2077%	1.4400%	0.203691	0.2933%	1.47%
Structures & Improvements	352.0	1.5500%	0.652103	1.0108%	1.5000%	0.144206	0.2163%	1.5000%	0.203691	0.3055%	1.53%
Station Equipment	353.0	1.8600%	0.652103	1.2129%	1.8400%	0.144206	0.2653%	1.8400%	0.203691	0.3748%	1.85%
Towers & Fixtures	354.0	1.6900%	0.652103	1.1021%	1.5700%	0.144206	0.2264%	1.5700%	0.203691	0.3198%	1.65%
Poles & Fixtures	355.0	2.8500%	0.652103	1.8585%	2.8300%	0.144206	0.4081%	2.8300%	0.203691	0.5764%	2.84%
Overhead Conductors	356.0	1.9700%	0.652103	1.2846%	1.8900%	0.144206	0.2725%	1.8900%	0.203691	0.3850%	1.94%
Underground Conduit	357.0	1.8600%	0.652103	1.2129%	1.7700%	0.144206	0.2552%	1.7700%	0.203691	0.3605%	1.83%
Underground Conductors	358.0	1.7000%	0.652103	1.1086%	1.6600%	0.144206	0.2394%	1.6600%	0.203691	0.3381%	1.69%
Trails & Roads	359.0	1.5000%	0.652103	0.9782%	1.4800%	0.144206	0.2134%	1.4800%	0.203691	0.3015%	1.49%

(1) As approved in Indiana Case No. 44967.
(2) As approved in MICHIGAN Case No. U18370.
(3) FERC wholesale formula rate agreements specify that the depreciation rates in the formula rates change upon approval of MPSC rates in the Michigan jurisdiction.
(4) The rates approved for each jurisdiction are updated when approved by that commission. These demand-based allocation factors for all jurisdictions are updated when new rates are approved in one of the jurisdictions. These allocation factors reflect I&M's 12 monthly Coincident Peaks during test year of the most recent rate case.

GENERAL NOTES:

The rates for each AEP company have been approved by their respective regulatory commissions.
I&M falls under the authority of Indiana, Michigan and the FERC. Therefore, I&M's rates are a composite of the jurisdictions under which it operates. Each jurisdictions' rate is multiplied by an allocation factor, and the product for each jurisdiction is added with the other jurisdictions to derive the composite rate for the company.
AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

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

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

Reference:

Note 1: Rates Approved In Tennessee Regulatory Authority Docket No. 16-00001.
K
Note 2: Kingsport Power Company does not have investment in plant accounts 357 or 358. Therefore, there are no depreciation rates approved

General Note
AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

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

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

Reference:

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

General Note
AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

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

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

Reference:

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

General Note:
AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 3/6/2019
FOR SINGLE JURISDICTION COMPANIES
WHEELING POWER COMPANY

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

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

General Note:
AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

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

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019		2018 Forecasted Revenue Requirement For Year 2018		True-up Adjustment - Over (Under) Recovery
$123,711,414	-	$123,402,381	=	($309,033)

Interest Rate on Amount of Refunds or Surcharges from 35.19a		Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
			0.4095%				

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

Calculation of Interest					Monthly		
January	Year 2018	(25,753)	0.4095%	12	1,265		27,018
February	Year 2018	(25,753)	0.4095%	11	1,160		26,913
March	Year 2018	(25,753)	0.4095%	10	1,055		26,807
April	Year 2018	(25,753)	0.4095%	9	949		26,702
May	Year 2018	(25,753)	0.4095%	8	844		26,596
June	Year 2018	(25,753)	0.4095%	7	738		26,491
July	Year 2018	(25,753)	0.4095%	6	633		26,385
August	Year 2018	(25,753)	0.4095%	5	527		26,280
September	Year 2018	(25,753)	0.4095%	4	422		26,175
October	Year 2018	(25,753)	0.4095%	3	316		26,069
November	Year 2018	(25,753)	0.4095%	2	211		25,964
December	Year 2018	(25,753)	0.4095%	1	105		25,858
					8,226		317,259
					Annual		
January through December	Year 2019	317,259	0.4095%	12	15,590		332,849
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					Monthly		
January	Year 2020	(332,849)	0.4095%		1,363	(28,481)	305,731
February	Year 2020	(305,731)	0.4095%		1,252	(28,481)	278,501
March	Year 2020	(278,501)	0.4095%		1,140	(28,481)	251,161
April	Year 2020	(251,161)	0.4095%		1,029	(28,481)	223,708
May	Year 2020	(223,708)	0.4095%		916	(28,481)	196,143
June	Year 2020	(196,143)	0.4095%		803	(28,481)	168,465
July	Year 2020	(168,465)	0.4095%		690	(28,481)	140,673
August	Year 2020	(140,673)	0.4095%		576	(28,481)	112,768
September	Year 2020	(112,768)	0.4095%		462	(28,481)	84,749
October	Year 2020	(84,749)	0.4095%		347	(28,481)	56,614
November	Year 2020	(56,614)	0.4095%		232	(28,481)	28,365
December	Year 2020	(28,365)	0.4095%		116	(28,481)	0
					8,926		

True-Up Adjustment with Interest	341,775
Less Over (Under) Recovery	(309,033)
Total Interest	32,742

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.

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

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019		2018 Forecasted Revenue Requirement For Year 2018		True-up Adjustment - Over (Under) Recovery
$5,501,501	-	$5,448,757	=	($52,744)

Interest Rate on Amount of Refunds or Surcharge from 35.19a		Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
			0.4095%				

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

Calculation of Interest					Monthly		
January	Year 2018	(4,395)	0.4095%	12	216		4,611
February	Year 2018	(4,395)	0.4095%	11	198		4,593
March	Year 2018	(4,395)	0.4095%	10	180		4,575
April	Year 2018	(4,395)	0.4095%	9	162		4,557
May	Year 2018	(4,395)	0.4095%	8	144		4,539
June	Year 2018	(4,395)	0.4095%	7	126		4,521
July	Year 2018	(4,395)	0.4095%	6	108		4,503
August	Year 2018	(4,395)	0.4095%	5	90		4,485
September	Year 2018	(4,395)	0.4095%	4	72		4,467
October	Year 2018	(4,395)	0.4095%	3	54		4,449
November	Year 2018	(4,395)	0.4095%	2	36		4,431
December	Year 2018	(4,395)	0.4095%	1	18		4,413
					1,404		54,148
					Annual		
January through December	Year 2019	54,148	0.4095%	12	2,661		56,809
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					Monthly		
January	Year 2020	(56,809)	0.4095%		233	(4,861)	52,180
February	Year 2020	(52,180)	0.4095%		214	(4,861)	47,533
March	Year 2020	(47,533)	0.4095%		195	(4,861)	42,867
April	Year 2020	(42,867)	0.4095%		176	(4,861)	38,181
May	Year 2020	(38,181)	0.4095%		156	(4,861)	33,477
June	Year 2020	(33,477)	0.4095%		137	(4,861)	28,753
July	Year 2020	(28,753)	0.4095%		118	(4,861)	24,009
August	Year 2020	(24,009)	0.4095%		98	(4,861)	19,247
September	Year 2020	(19,247)	0.4095%		79	(4,861)	14,464
October	Year 2020	(14,464)	0.4095%		59	(4,861)	9,663
November	Year 2020	(9,663)	0.4095%		40	(4,861)	4,841
December	Year 2020	(4,841)	0.4095%		20	(4,861)	0
					1,523		

True-Up Adjustment with Interest	58,332
Less Over (Under) Recovery	(52,744)
Total Interest	5,588

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

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

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019		2018 Forecasted Revenue Requirement For Year 2018		True-up Adjustment - Over (Under) Recovery
$230,282	-	$1,361,029	=	$1,130,747

Interest Rate on Amount of Refunds or Surcharges from 35.19a		Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
			0.4095%				

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

Calculation of Interest					Monthly		
January	Year 2018	94,229	0.4095%	12	(4,630)		(98,859)
February	Year 2018	94,229	0.4095%	11	(4,245)		(98,473)
March	Year 2018	94,229	0.4095%	10	(3,859)		(98,088)
April	Year 2018	94,229	0.4095%	9	(3,473)		(97,702)
May	Year 2018	94,229	0.4095%	8	(3,087)		(97,316)
June	Year 2018	94,229	0.4095%	7	(2,701)		(96,930)
July	Year 2018	94,229	0.4095%	6	(2,315)		(96,544)
August	Year 2018	94,229	0.4095%	5	(1,929)		(96,158)
September	Year 2018	94,229	0.4095%	4	(1,543)		(95,772)
October	Year 2018	94,229	0.4095%	3	(1,158)		(95,387)
November	Year 2018	94,229	0.4095%	2	(772)		(95,001)
December	Year 2018	94,229	0.4095%	1	(386)		(94,615)
					(30,098)		(1,160,845)
					Annual		
January through December	Year 2019	(1,160,845)	0.4095%	12	(57,044)		(1,217,889)
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					Monthly		
January	Year 2020	1,217,889	0.4095%		(4,987)	104,212	(1,118,663)
February	Year 2020	1,118,663	0.4095%		(4,581)	104,212	(1,019,032)
March	Year 2020	1,019,032	0.4095%		(4,173)	104,212	(918,993)
April	Year 2020	918,993	0.4095%		(3,763)	104,212	(818,543)
May	Year 2020	818,543	0.4095%		(3,352)	104,212	(717,683)
June	Year 2020	717,683	0.4095%		(2,939)	104,212	(616,410)
July	Year 2020	616,410	0.4095%		(2,524)	104,212	(514,721)
August	Year 2020	514,721	0.4095%		(2,108)	104,212	(412,617)
September	Year 2020	412,617	0.4095%		(1,690)	104,212	(310,094)
October	Year 2020	310,094	0.4095%		(1,270)	104,212	(207,151)
November	Year 2020	207,151	0.4095%		(848)	104,212	(103,787)
December	Year 2020	103,787	0.4095%		(425)	104,212	(0)
					(32,660)		

True-Up Adjustment with Interest	(1,250,549)
Less Over (Under) Recovery	1,130,747
Total Interest	(119,802)

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.