Line No.						T	ransmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 136)	Tatal	۸۱۱۵			\$124,130,098
2	REVENUE CREDITS	(Note A) (Worksheet E)	Total 34,750	DA	1.00000	\$	34,750
3	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2)				\$	124,095,348
	The Carrying Charge Calculations on lines 6 to 11 belession Enhancement Charges. The total non-incentive	<u> </u>					
4	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet J)	13,412,036	DA	1.00000	\$	13,412,036
5	NET PLANT CARRYING CHARGE w/o intra-AEP charg	es or credits or ROE incentives (Note B)					
6	Annual Rate	((ln 1 - ln 102 - ln 103)/((ln 48 + ln 49 +	In 50 + In 51 + In 53) x 100))				12.96%
7	Monthly Rate	(In 6 / 12)					1.08%
8 9	NET PLANT CARRYING CHARGE ON LINE 6, w/o dep Annual Rate	,	((ln 48 + ln 49 + ln 50 + ln 51 + ln 53) x 1	00))			12.15%
10	NET PLANT CARRYING CHARGE ON LINE 9, w/o Reti	urn income taxes or ROF incentives (Not	e B)				
11	Annual Rate	,	In 131 - In 132) /((In 48 + In 49 + In 50 +	In 51 + In 53) x 1	100))		2.06%
12	ADDITIONAL REVENUE REQUIREMENT for projects w	/ incentive ROE's (Note B) (Worksheet J)					-
13		REVENUE REQUIREMENT FOR	SCHEDULE 1A CHARGES				
14	Total Load Dispatch & Scheduling (Account 561)	Line 85 Below					36,040
15 16	Less: Load Dispatch - Scheduling, System Control and Less: Load Dispatch - Reliability, Planning & Standards	Dispatch Services (321.88.b)					(96)
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)					36,136

AEP OHIO TRANSMISSION COMPANY

(1) (2) (3) (4) (5)

		Data Sources				Total
Line	RATE BASE CALCULATION	(See "General Notes")	<u>TO Total</u> NOTE C	Allo	<u>cator</u>	<u>Transmission</u>
No.	GROSS PLANT IN SERVICE		<u></u>			
18	Line Deliberately Left Blank					
19	Line Deliberately Left Blank					
20	Transmission	(Worksheet A In 3.C & Ln 140)	546,738,447	DA		546,738,447
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.C& Ln 141)	-	TP	1.00000	-
22 23	Plus: Transmission Plant-in-Service Additions (Wor	,	420,430,830	DA DA	1.00000 1.00000	420,430,830
23 24	Plus: Additional Trans Plant on Transferred Assets Line Deliberately Left Blank	(WORKSHEELI, III 22.D)	-	DA	1.00000	-
25	Line Deliberately Left Blank					
26	General Plant	(Worksheet A In 7.C)	162,233	W/S	1.00000	162,233
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	, -	W/S	1.00000	-
28	Intangible Plant	(Worksheet A In 9.C)	2,449,753	W/S	1.00000	2,449,753
29	TOTAL GROSS PLANT	(Sum of Lines: 20 to 23 & 26 to 28)	969,781,263			969,781,263
30	ACCUMULATED DEPRECIATION AND AMORTIZATION	ON				
31	Line Deliberately Left Blank					
32	Line Deliberately Left Blank					
33	Transmission	(Worksheet A In 14.C & 28.C)	8,015,070	TP1=	1.00000	8,015,070
34	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	-	TP1=	1.00000	4 005 004
35 36	Plus: Transmission Plant-in-Service Additions (Wor Plus: Additional Projected Deprec on Transferred A	·	1,995,981	DA DA	1.00000 1.00000	1,995,981
30 37	Plus: Additional Transmission Depreciation for 201	,	5,749,817	TP1	1.00000	5,749,817
38	Plus: Additional General & Intangible Depreciation	· · · · · · · · · · · · · · · · · · ·	378,116	W/S	1.00000	378,116
39	Plus: Additional Accum Deprec on Transferred Ass	· · · · · · · · · · · · · · · · · · ·	-	DA	1.00000	-
40	Line Deliberately Left Blank	()				
41	Line Deliberately Left Blank					
42	General Plant	(Worksheet A In 18.C)	4,901	W/S	1.00000	4,901
43	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)		W/S	1.00000	-
44	Intangible Plant	(Worksheet A In 20.C)	572,137	W/S	1.00000	572,137
45	TOTAL ACCUMULATED DEPRECIATION	(Sum of Lines: 33 to 39 & 42 to 44)	16,716,022			16,716,022
46	NET PLANT IN SERVICE					
47	Line Deliberately Left Blank	(lo 20 ; lo 24 lo 22 lo 24)	F20 722 277			E20 700 077
48 49	Transmission Plus: Transmission Plant-in-Service Additions (In 22)	(ln 20 + ln 21 - ln 33 - ln 34)	538,723,377 418,434,849			538,723,377 418,434,849
49 50	Plus: Additional Trans Plant on Transferred Assets	·	410,434,649			410,434,049
51	Plus: Additional Transmission Depreciation for 2014	· ·	(5,749,817)			(5,749,817)
52	Plus: Additional General & Intangible Depreciation		(378,116)			(378,116)
53	Plus: Additional Accum Deprec on Transferred Ass	, ,	· · · · · · · · · · · · · · · · · · ·			-
54	Line Deliberately Left Blank					
55	General Plant	(ln 26 + ln 27 - ln 42 - ln 43)	157,332			157,332
56	Intangible Plant	(ln 28 - ln 44)	1,877,616			1,877,616
57	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 48 to 53 & 55, 56)	953,065,241			953,065,241
58	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)				
59	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	-	NA		-
60	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.C)	(100,345,309)	DA		(100,345,309)
61	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.C)	(944,280)	DA		(944,280)
62	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	26,409,019	DA		26,409,019
63	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)	(74,000,570)	DA		(74,000,570)
64	TOTAL ADJUSTMENTS	(sum lns 59 to 63)	(74,880,570)			(74,880,570)
65	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	783,326	DA		783,326
66	REGULATORY ASSETS	(Worksheet A In 41. (C))	-	DA		-
67	WORKING CAPITAL	(Note E)				
68	Cash Working Capital	(1/8 * ln 88)	77,152			77,152
69	Transmission Materials & Supplies	(Worksheet C, In 2.(D))	-	TP	1.00000	-
70	A&G Materials & Supplies	(Worksheet C, In 3.(D))	-	W/S	1.00000	-
71 72	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	1.00000	-
72 73	Prepayments (Account 165) - Labor Allocated Prepayments (Account 165) - Gross Plant	(Worksheet C, In 6.G) (Worksheet C, In 6.F)	- 882,645	W/S GP(h)	1.00000 1.00000	- 882,645
73 74	Prepayments (Account 165) - Gross Plant Prepayments (Account 165) - Transmission Only	(Worksheet C, In 6.E)	002,043 -	GP(II) DA	1.00000	002,040
75	Prepayments (Account 165) - Unallocable	(Worksheet C, In 6.D)	-	NA	0.00000	-
76	TOTAL WORKING CAPITAL	(sum lns 68 to 75)	959,797	•	-	959,797
77	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 7.B)	-	DA	1.00000	-
		, , , , , , , , , , , , , , , , , , , ,			_ _ _ _ _ _ _ _ _	
78	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		879,927,794			879,927,794

AEP OHIO TRANSMISSION COMPANY

(1) (2) (3) (4) (5)

Line	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	TO Total	Allo	<u>cator</u>	Total <u>Transmission</u>
No.	OPERATION & MAINTENANCE EXPENSE					
79	Line Deliberately Left Blank					
80	Line Deliberately Left Blank					
81	Customer Related Expense	322.164,171,178.b	-			
82 83	Regional Marketing Expenses Transmission	322.131.b 321.112.b	- 1,478,754			
84	TOTAL O&M EXPENSES	(sum lns 81 to 83)	1,478,754			
85	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	36,040			
86	Less: Account 565	(Note H) 321.96.b	825,497			
87	Less: State Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)				
88	Total O&M Allocable to Transmission	(Ins 83 - 85 - 86 - 87)	617,217	TP	1.00000	617,217
89	Administrative and General	323.197.b (Note J)	1,558,862			
90	Less: Acct. 924, Property Insurance	323.185.b	114,721			
91	Acct. 928, Reg. Com. Exp.	323.189.b	-			
92 93	Acct. 930.1, Gen. Advert. Exp. Acct. 930.2, Misc. Gen. Exp.	323.191.b 323.192.b	- 47,253			
94	Balance of A & G	(In 89 - sum In 90 to In 93)	1,396,888	W/S	1.00000	1,396,888
95	Plus: Acct. 924, Property Insurance	(In 90)	114,721	GP(h)	1.00000	114,721
96	Acct. 928 - Transmission Specific	Worksheet F In 20.(E) (Note L)	, -	TP ´	1.00000	, -
97	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 37.(E) (Note L)	-	TP	1.00000	-
98	Acct 930.2 - Misc Gen. Exp Trans	Worksheet F In 42.(E) (Note L)	47,253	DA	1.00000	47,253
99	PBOP Adjustment	Worksheet O Ln 16 (B), (Note K & M)	140,206	W/S	1.00000	140,206
100	A & G Subtotal	(sum lns 94 to 99)	1,699,068			1,699,068
101	O & M EXPENSE SUBTOTAL	(ln 88 + ln 100)	2,316,285			2,316,285
102	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA	1.00000	-
103	Plus: Transmission Lease Payments To Affiliates in	, , , , , , , , , , , , , , , , , , , ,	825,497	DA	1.00000	825,497
104	TOTAL O & M EXPENSE	(ln 101 + ln 102 + ln 103)	3,141,782			3,141,782
105	DEPRECIATION AND AMORTIZATION EXPENSE					
106	Line Deliberately Left Blank					
107	Line Deliberately Left Blank	000.71	5.740.047	TD4	4 00000	5 740 047
108 109	Transmission Plus: Transmission Plant in Service Additions (Work	336.7.f	5,749,817 1,005,081	TP1	1.00000 1.00000	5,749,817
110	Plus: Transmission Plant-in-Service Additions (Work Plus: Formation Costs Amortization	(Worksheet A In 37.C)	1,995,981 13,392	DA TP1	1.00000	1,995,981 13,392
111	General	336.10.f	4,901	W/S	1.00000	4,901
112	Intangible	336.1.f	373,215	W/S	1.00000	373,215
113	TOTAL DEPRECIATION AND AMORTIZATION	(Lns 108+109+111+112)	8,137,306			8,137,306
114	TAXES OTHER THAN INCOME	(Note N)				
115	Labor Related	W 1 1 (111 00 /P)		VV (0	4 00000	
116 117	Payroll Plant Palated	Worksheet H In 23.(D)	-	W/S	1.00000	-
117	Plant Related Property	Worksheet H In 23.(C) & In 58.(C)	16,835,626	DA		16,835,626
119	Gross Receipts/Sales & Use	Worksheet H In 23.(F)	91	NA	0.00000	-
120	Other	Worksheet H In 23.(E)	26,302	GP(h)	1.00000	26,302
121	TOTAL OTHER TAXES	(sum lns 116 to 120)	16,862,019			16,861,928
122	INCOME TAXES	(Note O)				
123	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =	(/	35.00%			
124	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		39.58%			
125	where WCLTD=(In 159) and WACC = (In 162)					
126	and FIT, SIT & p are as given in Note O.		4.5005			
127 128	GRCF=1 / (1 - T) = (from In 123) Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	1.5385 -			
129	Income Tax Calculation	(In 124 * In 132)	27,220,228			27,220,228
130	ITC adjustment	(ln 127 * ln 128)		NP(h)	1.00000	£1,220,220 -
131	TOTAL INCOME TAXES	(sum lns 129 to 130)	27,220,228	()		27,220,228
132	RETURN ON RATE BASE (Rate Base * WACC)	(In 78 * In 162)	68,768,855			68,768,855
133	INTEREST ON IPP CONTRIBUTION FOR CONST. (No	ote F) (Worksheet D, In 2.(B))	-	DA	1.00000	-
134	(Gains) / Losses on Sales of Plant Held for Future Use	(Worksheet N, In 4, Cols. ((F) & (H))	-			-
135	Tax Impact on (Gains) / Losses on Sales of Plant Held	for Future Use (In 134 * In124)	-			-
136	TOTAL REVENUE REQUIREMENT (sum lns 104, 113, 121, 131, 132, 133, 134, 135)		124,130,189			124,130,098
	(301111113 104, 113, 121, 131, 132, 133, 134, 133)					

AEP OHIO TRANSMISSION COMPANY

SUPPORTING CALCULATIONS

No. 137 138 139	TRANSMISSION PLANT INCLUDED IN PJM TARIFF Total transmission plant Less transmission plant excluded from PJM Tariff (No Less transmission plant included in OATT Ancillary Se	,	(C)) (Note Q)					546,738,447 - -
140	Transmission plant included in PJM Tariff	(ln 137 - ln 138 - ln 139)						546,738,447
141	Percent of transmission plant in PJM Tariff	(In 140 / In 137)					TP=	1.00000
142 143	WAGES & SALARY ALLOCATOR (W/S) Line Deliberately Left Blank	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total			
144 145 146	Transmission Regional Market Expenses Line Deliberately Left Blank	354.21.b 354.22.b	-	252,227 -	252,227 -	TP NA	1.00000 0.00000	252,227 -
147 148	Other (Excludes A&G) Total	354.24,25,26.b (sum lns 144, 145, & 147)	-	<u>-</u> 252,227	<u>-</u> 252,227	NA	0.00000	<u>-</u> 252,227
140	Total	(Sulli 1115 144, 145, & 147)	_	232,221	252,221			232,221
149	Transmission related amount						W/S=	1.00000
	Actual Capped Capital Cost Structure (Note S)							
150 151	WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest	(Worksheet L, In. 35, col. (D))					See W/S L	\$ 15,738,298
152	Preferred Dividends	(Worksheet L, In. 45, col. (D))					Oce WO L	-
153	Development of Common Stock:	(FF4 + 440 1 + 40 +)						000 400 070
154 155	Proprietary Capital Less: Preferred Stock	(FF1 p 112, Ln 16.c)						388,422,070
156	Less: Account 216.1	(FF1 p 112, Ln 3.c) (FF1 p 112, Ln 12.c)						- -
157	Less: Account 219	(FF1 p 112, Ln 15.c)						_
158	Common Stock	(ln 154 - ln 155 - ln 156 - ln 15	7)					388,422,070
100	Common Clock	(11 101 11 100 11 100 11 10	•)	Capital Structure	Percentages		Cost	000, 122,010
		\$		Actual	Cap Limit		(Note S)	Weighted
								0.0207
159	Long Term Debt Worksheet L, In 35, col. (B))	380,100,000		49.46%	50.00%		4.14%	0.0201
159 160	Long Term Debt Worksheet L, In 35, col. (B)) Preferred Stock (In 155)	380,100,000		49.46% 0.00%	50.00% 0.00%		4.14% 0.00%	0.0000
		380,100,000 - 388,422,070						
160	Preferred Stock (In 155)	-		0.00%	0.00%		0.00%	0.0000
160 161	Preferred Stock (In 155) Common Stock (In 158)	- 388,422,070		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575
160 161 162	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161)	388,422,070 768,522,070 50.0%		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575
160 161 162	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T)	388,422,070 768,522,070 50.0%		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575
160 161 162 163	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S	388,422,070 768,522,070 50.0%		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575 0.0782
160 161 162 163	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC)	388,422,070 768,522,070 50.0%		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575 0.0782
160 161 162 163 164 165	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14)		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575 0.0782
160 161 162 163 164 165 166 167 168	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37)		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575 0.0782
160 161 162 163 164 165 166 167 168 169	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less: Preferred Stock	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37) (Worksheet Q, In. 38)		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575 0.0782 \$ 508,751,624 - 7,769,429,769
160 161 162 163 164 165 166 167 168 169 170	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37) (Worksheet Q, In. 38) (Worksheet Q, In. 39)		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575 0.0782 \$ 508,751,624 - 7,769,429,769 - 6,459,402
160 161 162 163 164 165 166 167 168 169 170 171	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37) (Worksheet Q, In. 38) (Worksheet Q, In. 39) (Worksheet Q, In. 40)		0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575 0.0782 \$ 508,751,624 - 7,769,429,769 - 6,459,402 (9,922,266)
160 161 162 163 164 165 166 167 168 169 170	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37) (Worksheet Q, In. 38) (Worksheet Q, In. 39)	1)	0.00% 50.54%	0.00% 50.00%		0.00% 11.49%	0.0000 0.0575 0.0782 \$ 508,751,624 - 7,769,429,769 - 6,459,402
160 161 162 163 164 165 166 167 168 169 170 171 172	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219 Common Stock	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37) (Worksheet Q, In. 38) (Worksheet Q, In. 39) (Worksheet Q, In. 40)	1)	0.00% 50.54% 100.00%	0.00% 50.00% 100.00%		0.00% 11.49% WACC=	0.0000 0.0575 0.0782 \$ 508,751,624 - 7,769,429,769 - 6,459,402 (9,922,266) 7,772,892,633 Weighted
160 161 162 163 164 165 166 167 168 169 170 171 172	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219 Common Stock Long Term Debt (Worksheet Q, In 50)	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37) (Worksheet Q, In. 38) (Worksheet Q, In. 39) (Worksheet Q, In. 40)	1)	0.00% 50.54% 100.00%	0.00% 50.00% 100.00%		0.00% 11.49% WACC=	\$ 508,751,624 - 7,769,429,769 - 6,459,402 (9,922,266) 7,772,892,633 Weighted 0.0302
160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219 Common Stock Long Term Debt (Worksheet Q, In 50) Preferred Stock (Worksheet Q, In 51)	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37) (Worksheet Q, In. 38) (Worksheet Q, In. 39) (Worksheet Q, In. 40)	1)	0.00% 50.54% 100.00% % 53.85% 0.00%	\$ 9,069,720,925		0.00% 11.49% WACC= Cost 0.0561 0.00%	\$ 508,751,624 - 7,769,429,769 - 6,459,402 (9,922,266) 7,772,892,633 Weighted 0.0302 0.0000
160 161 162 163 164 165 166 167 168 169 170 171 172	Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219 Common Stock Long Term Debt (Worksheet Q, In 50)	388,422,070 768,522,070 50.0% (Worksheet Q, In. 14) (Worksheet Q, In. 36) (Worksheet Q, In. 37) (Worksheet Q, In. 38) (Worksheet Q, In. 39) (Worksheet Q, In. 40)	1)	0.00% 50.54% 100.00%	0.00% 50.00% 100.00%		0.00% 11.49% WACC=	\$ 508,751,624 - 7,769,429,769 - 6,459,402 (9,922,266) 7,772,892,633 Weighted 0.0302

AEP OHIO TRANSMISSION COMPANY

<u>Letter</u> <u>Notes</u>

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

- A Revenue credits include:
 - 1) Forfeited Discounts.
 - 2) Miscellaneous Service Revenues.
 - 3) Rental revenues earned on assets included in the rate base.
 - 4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.
 - 5) Other electric revenues.
 - 6) Revenues for grandfathered PTP contracts included in the load divisor.
 - See Worksheet E for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's.
- C Transmission Plant balances in this study are projected as of December 31, 2014. Other ratebase amounts are as of December 31, 2013.
- The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B.
 - The company will not include the ADIT portion of deferred hedge gains and losses in rate base.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 88. It excludes:
 - 1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancilliary Services Revenue, as shown on line 85.
 - 2) AEP transmission equalization transfers, as shown on line 86
 - 3) The impact of state regulatory deferrals and amortizations, as shown on line 87
 - 4) All A&G Expenses, as shown on line 100.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 77 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 133.
- Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 15 & 16 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- Removes cost of transmission service provided by others to determine the basis of cash working capital on line 88. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 102 and 103 to determine the total O&M collected in the formula. The amounts on lines 102 and 103 are also excluded in the calculation of the FCR percentage calculated on lines 5 through 11. The addbacks on lines 102 and 103 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity.

 The company records referenced on lines 102 and 103 is the AEP OHIO TRANSMISSION COMPANY general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from O&M expense.
- General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense
- Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- See note K above. Per the settlement in Docket ER10-355, recoverable PBOP expense is based on a rate of 9.4 cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing.
- N Includes only FICA, unemployment, highway, property and other assessments 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 128) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.

Inputs Required:

FIT = 35.00%

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

- P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- As shown on Worksheet Q, the AEP Ohio Transmission Company capital structure and weighted cost of capital (WACC) shall be based on (1) the weighted composite of AEP East Operating Companies' actual end-of-year capital structure, including year-end outstanding long term debt (LTD) and preferred stock (PS) issuances (Projected) or the beginning and ending average capital structure, including the beginning and ending average outstanding LTD and PS issuances (True-Up) with the common equity portion as capped in Docket No. ER08-1329 where any excess common equity is priced at the cost of LTD and the composite equity ratio is further capped at 50%, and (2) the actual weighted composite LTD and PS cost using actual calendar year LTD expense and PS dividends of the AEP East Operating Companies excluding all interest rate hedging costs and/or gains, until the the Company establishes its own actual capital structure.

 Upon establishment of actual debt financing for AEP Ohio Transmission Company, the Company shall use its own actual capital structure capped by a 50% Common Equity Cap and its own LTD costs, excluding all interest rate hedging costs and/or gains, as computed on Worksheet L for the Projected TCOS or Worksheet M for the True Up TCOS.
- AEP OHIO TRANSMISSION COMPANY's Common Stock is limited to 50% of the capital structure. This limit may only be changed through a Section 205 or 206 filing effective after June 30, 2013.

 If the percentage of equity exceeds the cap, the excess is included in weighted percentage of long term debt in the capital structure.

Line No.						Т	ransmission Amount
178	REVENUE REQUIREMENT (w/o incentives)	(ln 313)	Total		Allocator		\$77,512,718
179	REVENUE CREDITS	(Note A) (Worksheet E)	Total 34,750	DA	Allocator 1.00000	\$	34,750
180	REVENUE REQUIREMENT For All Company Facilities	(In 178 less In 179)				\$	77,477,968
		below are used in calculating project revenue requirements billed throirements for these projects shown on line 181 is included in the total or					
181	Not applicable on this template						
182 183	NET PLANT CARRYING CHARGE w/o intra-AEP charge Annual Rate	((ln 178 - ln 279 - ln 280)/ ln 225 x 100)					14.23%
184	Monthly Rate	(ln 183 / 12)					1.19%
185 186	NET PLANT CARRYING CHARGE ON LINE 183 , w/o d Annual Rate	lepreciation or ROE incentives (Note B) ((In 178 - In 279 - In 280 - In 285) / In 225 x 100)					13.17%
187 188	NET PLANT CARRYING CHARGE ON LINE 186, w/o R Annual Rate	eturn, income taxes or ROE incentives (Note B) ((In 178 - In 279 - In 280 - In 285 - In 308 - In 309) / In 225 x 100)					3.64%
189	Not applicable on this template						
190		REVENUE REQUIREMENT FOR SCHEDULE	1A CHARGES				
191 192 193	Total Load Dispatch & Scheduling (Account 561) Less: Load Dispatch - Scheduling, System Control and Dispatch - Reliability, Planning & Standards Dispatch - Reliability, Planning - Reliability,						36,040 (96) -
194	Total 561 Internally Developed Costs	(Line 191 - Line 192 - Line 193)					36,136

	(1)	(2)	(3)	(4	1)	(5)
	RATE BASE CALCULATION	Data Sources (See "General Notes")	TO Total	Alloc	cator	Total <u>Transmission</u>
Line No. 195	GROSS PLANT IN SERVICE Line Deliberately Left Blank		NOTE C			
196	Line Deliberately Left Blank					
197 198	Transmission Less: Transmission ARO (Enter Negative)	(Worksheet A In 3.C & Ln 317) (Worksheet A In 4.C& Ln 318)	546,738,447	DA TP	1.00000	546,738,447
199	Plus: Transmission Plant-in-Service Additions (Work	,	N/A	NA	0.00000	N/A
200	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)	N/A	NA	0.00000	N/A
201 202	Line Deliberately Left Blank Line Deliberately Left Blank					
202	General Plant	(Worksheet A In 7.C)	162,233	W/S	1.00000	162,233
204	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	· -	W/S	1.00000	-
205 206	Intangible Plant TOTAL GROSS PLANT	(Worksheet A In 9.C) (Sum of Lines: 197 to 200 & 203 to 205)	2,449,753 549,350,433	W/S GP(b)-	1.00000 1.00000	2,449,753 549,350,433
200	TOTAL GROSS PLANT	(Sull of Lines. 197 to 200 & 203 to 203)	549,550,455	GP(h)= GTD=	1.00000	549,550,455
207	ACCUMULATED DEPRECIATION AND AMORTIZAT	ION				
208 209	Line Deliberately Left Blank Line Deliberately Left Blank					
210	Transmission	(Worksheet A In 14.C & 28.C)	8,015,070	TP1=	1.00000	8,015,070
211	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	- N/A	TP1=	1.00000	-
212 213	Plus: Transmission Plant-in-Service Additions (Work Plus: Additional Projected Deprec on Transferred As		N/A N/A	DA DA	1.00000 1.00000	N/A N/A
214	Plus: Additional Transmission Depreciation for 2014	,	N/A	TP1	1.00000	N/A
215	Plus: Additional General & Intangible Depreciation for	,	N/A	W/S	1.00000	N/A
216	Plus: Additional Accum Deprec on Transferred Asse	ets (Worksheet I)	N/A	DA	1.00000	N/A
217 218	Line Deliberately Left Blank Line Deliberately Left Blank					
219	General Plant	(Worksheet A In 18.C)	4,901	W/S	1.00000	4,901
220	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	- 570.407	W/S W/S	1.00000 1.00000	- 570 107
221 222	Intangible Plant TOTAL ACCUMULATED DEPRECIATION	(Worksheet A In 20.C) (Sum of Lines: 210 to 216 & 219 to 221)	<u>572,137</u> 8,592,108	VV/S	1.00000	572,137 8,592,108
223 224	NET PLANT IN SERVICE Line Deliberately Left Blank					
225	Transmission	(ln 197 + ln 198 - ln 210 - ln 211)	538,723,377 N/A			538,723,377 N/A
226 227	Plus: Transmission Plant-in-Service Additions (In 1999) Plus: Additional Trans Plant on Transferred Assets	,	N/A N/A			N/A N/A
228	Plus: Additional Transmission Depreciation for 2014	,	N/A			N/A
229	Plus: Additional General & Intangible Depreciation for	·	N/A			N/A
230 231	Plus: Additional Accum Deprec on Transferred Asse Line Deliberately Left Blank	ets (Worksheet I) (-In 216)	N/A			N/A
232	General Plant	(In 203 + In 204 - In 219 - In 220)	157,332			157,332
233	Intangible Plant	(ln 205 - ln 221)	1,877,616			1,877,616
234	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 225 to 230 & 232, 233)	540,758,325	NP(h)=	1.000000	540,758,325
235	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)				
236	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	- •	NA		-
237 238	Account No. 282.1 (enter negative) Account No. 283.1 (enter negative)	(Worksheet B, In 7 & In 10.C) (Worksheet B, In 12 & In 15.C)	(100,345,309) (944,280)	DA DA		(100,345,309) (944,280)
239	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	26,409,019	DA		26,409,019
240	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)		DA		-
241	TOTAL ADJUSTMENTS	(sum lns 236 to 240)	(74,880,570)			(74,880,570)
242	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	783,326	DA		783,326
243	REGULATORY ASSETS	(Worksheet A In 41. (C))	-	DA		-
244	WORKING CAPITAL	(Note E)				
245 246	Cash Working Capital Transmission Materials & Supplies	(1/8 * In 265) (Worksheet C, In 2.(D))	77,152	TP	1.00000	77,152
246 247	A&G Materials & Supplies	(Worksheet C, In 3.(D))	- -	W/S	1.00000	-
248	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	1.00000	-
249 250	Prepayments (Account 165) - Labor Allocated Prepayments (Account 165) - Gross Plant	(Worksheet C, In 6.G) (Worksheet C, In 6.F)	- 882,645	W/S GP(h)	1.00000 1.00000	- 882,645
251	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 6.E)	-	DA	1.00000	-
252	Prepayments (Account 165) - Unallocable	(Worksheet C, In 6.D)		NA	0.00000	
253	TOTAL WORKING CAPITAL	(sum lns 245 to 252)	959,797			959,797
254	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 7.B)	-	DA	1.00000	-
255	RATE BASE (sum Ins 234, 241, 242, 243, 253, 254)		467,620,878			467,620,878
						

	(1)	(2)	(3)	(4)	(5)
	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	<u>TO Total</u>	Allocator	Total <u>Transmission</u>
Line No. 256 257	OPERATION & MAINTENANCE EXPENSE Line Deliberately Left Blank Line Deliberately Left Blank				
258 259	Customer Related Expense Regional Marketing Expenses	322 & 323.164,171,178.b 322.131.b			
260	Transmission	321.112.b	Per Settlement in FERC Docket No. ER10-355-000, Attachment A-1 to Appendix B, pg. 1,478,754 26, C, 7a.		
261 262 263 264	TOTAL O&M EXPENSES Less: Total Account 561 Less: Account 565 Less: Regulatory Deferrals & Amortizations	(sum Ins 258 to 260) (Note G) (Worksheet F, In 14.C) (Note H) 321.96.b (Note I) (Worksheet F, In 4.C)	1,478,754 36,040 825,497		
265	Total O&M Allocable to Transmission	(Ins 260 - 262 - 263 - 264)	617,217	TP 1.0000	00 617,217
266	Administrative and General	323.197.b (Note J)	Per Settlement in FERC Docket No. ER10-355-000, Attachment A-1 to Appendix B, pg. 1,558,862 26, C, 7a.		
267 268 269	Less: Acct. 924, Property Insurance Acct. 928, Reg. Com. Exp. Acct. 930.1, Gen. Advert. Exp.	323.185.b 323.189.b 323.191.b	114,721 - -		
270 271 272	Acct. 930.2, Misc. Gen. Exp. Balance of A & G Plus: Acct. 924, Property Insurance	323.192.b (In 266 - sum In 267 to In 270) (In 267)	47,253 1,396,888 114,721	W/S 1.0000 GP(h) 1.0000	
272 273 274	Acct. 928 - Transmission Specific Acct 930.1 - Only safety related ads -Direct	Worksheet F In 20.(E) (Note L) Worksheet F In 37.(E) (Note L)		GP(h) 1.0000 TP 1.0000 TP 1.0000	-
275 276	Acct 930.2 - Misc Gen. Exp Trans PBOP Adjustment	Worksheet F In 42.(E) (Note L) Worksheet O Ln 16 (B), (Note K & M)	47,253 140,206	DA 1.0000 W/S 1.0000	00 47,253
277	A & G Subtotal	(sum lns 271 to 276)	1,699,068		1,699,068
278 279	O & M EXPENSE SUBTOTAL Plus: TEA Settlement in Account 565	(In 265 + In 277) Company Records (Note H)	2,316,285	DA 1.0000	
280 281	Plus: Transmission Lease Payments To Affiliates in Acc TOTAL O & M EXPENSE	(ln 278 + ln 279 + ln 280)	825,497 3,141,782	DA 1.0000	3,141,782
282 283 284	DEPRECIATION AND AMORTIZATION EXPENSE Line Deliberately Left Blank Line Deliberately Left Blank				
285 286	Transmission Plus: Transmission Plant-in-Service Additions (Worksh	336.7.f eet I)	5,749,817 N/A	TP1 1.0000	5,749,817 N/A
287 288	Plus: Formation Costs Amortization General	(Worksheet A In 35.C) 336.10.f	26,783 4,901	TP1 1.0000 W/S 1.0000	•
289 290	Intangible TOTAL DEPRECIATION AND AMORTIZATION	336.1.f (Ln 285+286+288+289)	373,215 6,154,716	W/S 1.0000	
291	TAXES OTHER THAN INCOME	(Note N)			
292 293 294	Labor Related Payroll Plant Related	Worksheet H In 23.(D)	-	W/S 1.0000	-
295 296	Property Gross Receipts/Sales & Use	Worksheet H In 23.(C) & In 58.(C) Worksheet H In 23.(F)	16,835,626 91	DA NA 0.0000	16,835,626 00 -
297 298	Other TOTAL OTHER TAXES	Worksheet H In 23.(E) (sum Ins 293 to 297)	<u>26,302</u> 16,862,019	GP(h) 1.0000	26,302 16,861,928
299 300 301	INCOME TAXES T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} = EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =	(Note O)	35.00% 39.81%		
302 303	where WCLTD=(ln 336) and WACC = (ln 339) and FIT, SIT & p are as given in Note O.				
304 305	GRCF=1 / (1 - T) = (from In 300) Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	1.5385		
306 307	Income Tax Calculation ITC adjustment	(ln 301 * ln 309) (ln 304 * ln 305)	14,622,316	NP(h) 1.0000	14,622,316 00 -
308	TOTAL INCOME TAXES	(sum lns 306 to 307)	14,622,316	(.)	14,622,316
309	RETURN ON RATE BASE (Rate Base*WACC)	(ln 255 * ln 339)	36,731,976		36,731,976
310	(Coins) / Leases on Sales of Blant Hold for Euture Has (M)		-	DA 1.0000	-
311 312	(Gains) / Losses on Sales of Plant Held for Future Use (W		-		-
312	Tax Impact on Net Loss / (Gain) on Sales of Plant Held fo TOTAL REVENUE REQUIREMENT	1 1 Utule Use (111 3 1 1 1113U 1)	77,512,809		77,512,718
313	(sum lns 281, 290, 298, 308, 309, 310, 311, 312)				11,312,110

AEP OHIO TRANSMISSION COMPANY

SUPPORTING CALCULATIONS

In No. 314	TRANSMISSION PLANT INCLUDED IN PJM TARIFF Total transmission plant	(In 197)						546,738,447
315	Less transmission plant excluded from PJM Tariff (Note	,						-
316	Less transmission plant included in OATT Ancillary Serv	,						-
317	Transmission plant included in PJM Tariff	(ln 314 - ln 315 - ln 316)					_	546,738,447
318	Percent of transmission plant in PJM Tariff	(In 317 / In 314)					TP=	1.00000
319	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total			
320	Line Deliberately Left Blank	054.04.1		050 007	050 007	TD	4.00000	050 007
321	Transmission	354.21.b		- 252,227	252,227	TP	1.00000	252,227
322	Regional Market Expenses	354.22.b		-	-	NA	0.00000	-
323 324	Line Deliberately Left Blank Other (Excludes A&G)	354.24,25,26.b		_	_	NA	0.00000	_
	Total				252 227	INA	0.00000	252,227
325	i Otai	(sum lns 321, 322, & 324)	•	- 252,227	252,227			252,221
326	Transmission related amount						W/S=	1.00000
007	Actual (Uncapped) Capital Structure							•
327	WEIGHTED AVERAGE COST OF CAPITAL (WACC)	(Madalaati la OF aal (D))					-	\$
328	Long Term Interest	(Worksheet L, In. 35, col. (D))					See W/S L	15,738,298
329	Preferred Dividends	(Worksheet L, In. 45, col. (D))						-
330 331	Development of Common Stock:	(FF1 p 112, Ln 16.c)						388,422,070
332	Proprietary Capital Less: Preferred Stock	(FF1 p 112, Li1 16.c) (FF1 p 112, Ln 3.c)						300,422,070
333	Less: Account 216.1	(FF1 p 112, Ln 12.c)						_
334	Less: Account 219	(FF1 p 112, Ln 15.c)						_
335	Common Stock	(ln 331 - ln 332 - ln 333 - ln 334)					-	388,422,070
		(Capital Structure	Percentages		Cost	
				\$	%		(Note S)	Weighted
336	Long Term Debt Worksheet L, In 35, col. (B))		See W/S L	380,100,000	49.46%		4.14%	0.0205
337	Preferred Stock (In 332)			-	0.00%		0.00%	0.0000
338	Common Stock (In 335)			388,422,070	50.54%		11.49%	0.0581
339	Total (Sum Ins 336 to 338)			768,522,070	100.00%		WACC=	0.0786
	AEP OPERATING COMPANIES' COMPOSITE (Note S	3)						
340	WEIGHTED AVERAGE COST OF CAPITAL (WACC)	•						\$
341	Long Term Interest	(Worksheet Q, In. 14)					_	508,751,624
342	Preferred Dividends	(Worksheet Q, In. 36)						, , , -
343	Development of Common Stock:	,						
344	Proprietary Capital	(Worksheet Q, In. 37)						7,769,429,769
345	Less: Preferred Stock	(Worksheet Q, In. 38)						-
346	Less: Account 216.1	(Worksheet Q, In. 39)						6,459,402
347	Less: Account 219	(Worksheet Q, In. 40)						(9,922,266)
348	Common Stock	(In 344 - In 345 - In 346 - In 347)						7,772,892,633
349				%	\$		Cost	Weighted
350	Long Term Debt (Worksheet Q, In 50)			53.85%	9,069,720,925		5.61%	0.0302
351	Preferred Stock (Worksheet Q, In 51)			0.00%	-		0.00%	0.0000
352	Common Stock (Worksheet Q, In 52)			46.15%	7,772,892,633		11.49%	0.0530
353	Total (Worksheet Q, In 45)				16,842,613,558		WACC=	0.0832

AEP OHIO TRANSMISSION COMPANY

<u>Letter</u> <u>Notes</u> General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X Revenue credits include: 1) Forfeited Discounts. 2) Miscellaneous Service Revenues. Rental revenues earned on assets included in the rate base. 4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service. 5) Other electric revenues. 6) Revenues for grandfathered PTP contracts included in the load divisor. See Worksheet E for details. В 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. Transmission Plant balances in this study are historic as of December 31, 2013. С The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B. The company will not include the ADIT portion of deferred hedge gains and losses in rate base. Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 265. It excludes: 1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancilliary Services Revenue, as shown on line 262. 2) AEP transmission equalization transfers, as shown on line 263 3) The impact of state regulatory deferrals and amortizations, as shown on line 264 4) All A&G Expenses, as shown on line 277. Consistent with Paragraph 657 of Order 2003-A, the amount on line 254 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 310. 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 192 & 193 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. Removes cost of transmission service provided by others to determine the basis of cash working capital on line 265. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 279 and 280 to determine the total O&M collected in the formula. The amounts on lines 279 and 280 are also excluded in the calculation of the FCR percentage calculated on lines 182 through 188. The addbacks on lines 279 and 280 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity. The company records referenced on lines 279 and 280 is the AEP OHIO TRANSMISSION COMPANY general ledger. Removes the impact of state regulatory deferrals or their amortization from O&M expense. 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. The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E. See note K above. Per the settlement in Docket ER10-355, recoverable PBOP expense is based on a rate of 9.4 cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing. 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. 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 305) multiplied by (1/1-T). If the applicable tax rates are zero enter 0. 35.00% Inputs Required: FIT = SIT= 0.00% (State Income Tax Rate or Composite SIT. Worksheet G)) 0.00% (percent of federal income tax deductible for state purposes) p =Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT. 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. Q Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company. S As shown on Worksheet Q, the AEP Ohio Transmission Company capital structure and weighted cost of capital (WACC) shall be based on (1) the weighted composite of AEP East Operating Companies' actual end-of-year capital structure, including year-end outstanding long term debt (LTD) and preferred stock (PS) issuances (Projected) or the beginning and ending average capital structure, including the beginning and ending average outstanding LTD and PS issuances (True-Up) with the common equity portion as capped in Docket No. ER08-1329 where any excess common equity is priced at the cost of LTD and the composite equity ratio is further capped at 50%, and (2) the actual weighted composite LTD and PS cost using actual calendar year LTD expense and PS dividends of the AEP East Operating Companies excluding all interest rate hedging costs and/or gains, until the the Company establishes its own actual capital structure. Upon establishment of actual debt financing for AEP Ohio Transmission Company, the Company shall use its own actual capital structure capped by a 50% Common Equity Cap and its own LTD costs, excluding all interest rate hedging costs and/or gains, as computed on Worksheet L for the Projected TCOS or Worksheet M for the True Up TCOS.

AEP OHIO TRANSMISSION COMPANY's Common Stock is limited to 50% of the capital structure. This limit may only be changed through a Section 205 or 206 filing effective after June 30, 2013. If the percentage of equity exceeds the cap, the excess is included in weighted percentage of long term debt in the capital structure.

Line No. 1	REVENUE REQUIREMENT (w/o incentives) REVENUE CREDITS	(In 136) (Note A) (Worksheet E)	Total 34,750	DA All	ocator 1.00000	\$ ### sansmission Amount \$61,934,788 34,750 \$ 34,
3	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2)				\$ 61,900,038
	The Carrying Charge Calculations on lines 6 to 11 below a ission Enhancement Charges. The total non-incentive rev					
4	Revenue Requirement for PJM Schedule 12 Facilities (w/o i	ncentives) (Worksheet K)	4,527,772	DA	1.00000	\$ 4,527,772
5 6 7	NET PLANT CARRYING CHARGE w/o intra-AEP charges o Annual Rate Monthly Rate	r credits or ROE incentives (Note B) ((In 1 - In 102 - In 103)/ In 48 x 100) (In 6 / 12)				15.16% 1.26%
8 9	NET PLANT CARRYING CHARGE ON LINE 6, w/o depreci Annual Rate	ation or ROE incentives (Note B) ((In 1 - In 102 - In 103 - In 108) / In 48 x 1	100)			13.73%
10 11	NET PLANT CARRYING CHARGE ON LINE 9, w/o Return, Annual Rate	income taxes or ROE incentives (Note B) ((In 1 - In 102 - In 103 - In 108 - In 131 -	In 132) / In 48 x 100)			4.86%
12	ADDITIONAL REVENUE REQUIREMENT for projects w/ inc	entive ROE's (Note B) (Worksheet K)				-
13		REVENUE REQUIREMENT FOR	SCHEDULE 1A CHARGES			
14 15 16	Total Load Dispatch & Scheduling (Account 561) Less: Load Dispatch - Scheduling, System Control and Disp Less: Load Dispatch - Reliability, Planning & Standards Dev					36,040 (96)
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)				36,136

AEP OHIO TRANSMISSION COMPANY

(3)

(4)

(5)

(2)

(1)

	(1)	(2)	(3)	,	(7)	(3)
		Data Sources				Total
Lino	RATE BASE CALCULATION	(See "General Notes")	<u>TO Total</u> NOTE C	Allo	ocator	<u>Transmission</u>
Line No.	GROSS PLANT IN SERVICE		<u>NOTE C</u>			
18	Line Deliberately Left Blank					
19	Line Deliberately Left Blank					
20	Transmission	(Worksheet A In 3.E & Ln 140)	408,304,486	DA		408,304,486
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E & Ln 141)	<u> </u>	TP	1.00000	-
22	Plus: Transmission Plant-in-Service Additions (Worksheet	I)	N/A	NA	0.00000	N/A
23	Plus: Additional Trans Plant on Transferred Assets (Works	sheet I)	N/A	NA	0.00000	N/A
24	Line Deliberately Left Blank					
25	Line Deliberately Left Blank					
26	General Plant	(Worksheet A In 7.E)	81,117	W/S	1.00000	81,117
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.E)	-	W/S	1.00000	4 004 070
28	Intangible Plant	(Worksheet A In 9.E)	1,981,278	W/S	1.00000	1,981,278
29	TOTAL GROSS PLANT	(Sum of Lines: 20 to 23 & 26 to 28)	410,366,880	GP(h)=	1.00000	410,366,880
20	ACCUMULATED DEDDECLATION AND AMODITATION			GTD=	0.0000	
30	ACCUMULATED DEPRECIATION AND AMORTIZATION					
31 32	Line Deliberately Left Blank					
32 33	Line Deliberately Left Blank Transmission	(Markabaat A In 14 E 9 20 E)	F 121 F00	TP1=	1.00000	E 121 E00
		(Worksheet A In 14.E & 28.E)	5,131,500	TP1=		5,131,500
34	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.E)	- N/A		1.00000	N/A
35	Plus: Transmission Plant-in-Service Additions (Worksheet	•		DA	1.00000	
36	Plus: Additional Projected Deprec on Transferred Assets (•	N/A	DA	1.00000	N/A
37	Plus: Additional Transmission Depreciation for 2014 (In 10	•	N/A	TP1	1.00000	N/A
38	Plus: Additional General & Intangible Depreciation for 201	•	N/A	W/S	1.00000	N/A
39	Plus: Additional Accum Deprec on Transferred Assets (Wo	orksheet I)	N/A	DA	1.00000	N/A
40	Line Deliberately Left Blank					
41	Line Deliberately Left Blank	() Mandrah a at A la 40 F)	0.454	W//O	4.00000	0.454
42	General Plant	(Worksheet A In 18.E)	2,451	W/S	1.00000	2,451
43 44	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.E)	385,530	W/S W/S	1.00000 1.00000	385,530
44 45	Intangible Plant TOTAL ACCUMULATED DEPRECIATION	(Worksheet A In 20.E) (Sum of Lines: 33 to 39 & 42 to 44)	5,519,480	VV/S	1.00000	5,519,480
40	TOTAL ACCOMOLATED DEFRECIATION	(Sull) 01 Lilies. 33 to 39 & 42 to 44)	5,519,460			5,519,460
46	NET PLANT IN SERVICE					
47	Line Deliberately Left Blank					
48	Transmission	(In 20 + In 21 - In 33 - In 34)	403,172,986			403,172,986
49	Plus: Transmission Plant-in-Service Additions (In 22 - In 35	,	N/A			N/A
50	Plus: Additional Trans Plant on Transferred Assets (In 23	•	N/A			N/A
51	Plus: Additional Transmission Depreciation for 2014 (-In 3	•	N/A			N/A
52	Plus: Additional General & Intangible Depreciation for 201	•	N/A			N/A
53	Plus: Additional Accum Deprec on Transferred Assets (Wo	·	N/A			N/A
54	Line Deliberately Left Blank	, (55)				
55	General Plant	(In 26 + In 27 - In 42 - In 43)	78,666			78,666
56	Intangible Plant	(ln 28 - ln 44)	1,595,748			1,595,748
57	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 48 to 53 & 55, 56)	404,847,400	NP(h)=	1.00000	404,847,400
58	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)				
59	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	_	NA		_
60	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(79,982,834)	DA		(79,982,834)
61	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(895,114)	DA		(895,114)
62	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	17,474,508	DA		17,474,508
63	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	-	DA		-
64	TOTAL ADJUSTMENTS	(sum Ins 59 to 63)	(63,403,440)			(63,403,440)
		,	,			,
65	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.E & In 30.E)	391,663	DA		391,663
66	REGULATORY ASSETS	(Worksheet A In 41. (E))	-	DA		-
67	WORKING CAPITAL	(Note E)				
68	Cash Working Capital	(1/8 * In 88)	77,152			77,152
69	Transmission Materials & Supplies	(Worksheet C, In 2.F)	-	TP	1.00000	
70	A&G Materials & Supplies	(Worksheet C, In 3.F)	-	W/S	1.00000	-
71	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	1.00000	-
72	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 8.G)	-	W/S	1.00000	-
73	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 8.F)	466,118	GP(h)	1.00000	466,118
74	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 8.E)	· -	DÀ	1.00000	, -
75	Prepayments (Account 165) - Unallocable	(Worksheet C, In 8.D)		NA	0.00000	
76	TOTAL WORKING CAPITAL	(sum Ins 68 to 75)	543,270			543,270
	IDD CONTRIBUTIONS FOR CONSTRUCTION	(Nieto E) (Medicile et B. L. C. (D))		D 4	4 00000	
77	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8 (B))	-	DA	1.00000	-
78	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		342,378,893			342,378,893
-	, - ,,,,		,,			, , , , , , ,

AEP OHIO TRANSMISSION COMPANY

(1) (2) (3) (4) (5)

	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	TO Total	Allo	ocator	Total <u>Transmission</u>
Line						
<u>No.</u>	OPERATION & MAINTENANCE EXPENSE					
79	Line Deliberately Left Blank					
80 81	Line Deliberately Left Blank	222 164 171 179 h				
82	Customer Related Expense Regional Marketing Expenses	322.164,171,178.b 322.131.b				
83	Transmission	321.112.b	1,478,754			
84	TOTAL O&M EXPENSES	(sum Ins 81 to 83)	1,478,754			
85	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	36,040			
86	Less: Account 565	(Note H) 321.96.b	825,497			
87	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	, -			
88	Total O&M Allocable to Transmission	(Ins 83 - 85 - 86 - 87)	617,217	TP	1.00000	617,217
89	Administrative and General	323.197.b (Note J)	1,558,862			
90	Less: Acct. 924, Property Insurance	323.185.b	114,721			
91	Acct. 928, Reg. Com. Exp.	323.189.b	, -			
92	Acct. 930.1, Gen. Advert. Exp.	323.191.b	-			
93	Acct. 930.2, Misc. Gen. Exp.	323.192.b	47,253			
94	Balance of A & G	(In 89 - sum In 90 to In 93)	1,396,888	W/S	1.00000	1,396,888
95	Plus: Acct. 924, Property Insurance	(In 90)	114,721	GP(h)	1.00000	114,721
96	Acct. 928 - Transmission Specific	Worksheet F In 20.(E) (Note L)	-	TP	1.00000	-
97	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 37.(E) (Note L)	-	TP	1.00000	-
98	Acct 930.2 - Misc Gen. Exp Trans	Worksheet F In 42.(E) (Note L)	47,253	DA	1.00000	47,253
99	PBOP Adjustment	Worksheet O Ln 16 (B), (Note K & M)	140,206	W/S	1.00000	140,206
100	A & G Subtotal	(sum Ins 94 to 99)	1,699,068		_	1,699,068
101	O & M EXPENSE SUBTOTAL	(ln 88 + ln 100)	2,316,285		-	2,316,285
102	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA	1.00000	-
103	Plus: Transmission Lease Payments To Affiliates in Acct 5	, , ,	825,497	DA	1.00000	825,497
104	TOTAL O & M EXPENSE	(ln 101 + ln 102 + ln 103)	3,141,782			3,141,782
105	DEPRECIATION AND AMORTIZATION EXPENSE					
106	Line Deliberately Left Blank					
107	Line Deliberately Left Blank					
108	Transmission	336.7.f	5,749,817	TP1	1.00000	5,749,817
109	Plus: Transmission Plant-in-Service Additions (Worksheet	l)	N/A			N/A
110	Plus: Formation Costs Amortization	(Worksheet A In 35.E)	26,783	TP1	1.00000	26,783
111	General	336.10.f	4,901	W/S	1.00000	4,901
112	Intangible	336.1.f	373,215	W/S	1.00000	373,215
113	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 108+109+111+112)	6,154,716			6,154,716
114	TAXES OTHER THAN INCOME	(Note N)				
115	Labor Related					
116	Payroll	Worksheet H In 23.(D)	-	W/S	1.00000	-
117	Plant Related					
118	Property	Worksheet H In 23.(C) & In 58.(C)	16,835,626	DA	0.00000	16,835,626
119	Gross Receipts/Sales & Use	Worksheet H In 23.(F)	91	NA OD(h)	0.00000	-
120	Other	Worksheet H In 23.(E)	26,302	GP(h)	1.00000	26,302
121	TOTAL OTHER TAXES	(sum Ins 116 to 120)	16,862,019			16,861,928
122	INCOME TAXES	(Note O)				
123	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		35.00%			
124	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		42.05%			
125	where WCLTD=(In 159) and WACC = (In 162)					
126	and FIT, SIT & p are as given in Note O.		4.5005			
127 128	GRCF=1 / (1 - T) = (from In 123) Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	1.5385 -			
129	Income Tax Calculation	(ln 124 * ln 132)	10,591,359			10,591,359
130	ITC adjustment	(ln 127 * ln 128)	-	NP(h)	1.00000	-
131	TOTAL INCOME TAXES	(sum Ins 129 to 130)	10,591,359	` ,	•	10,591,359
132	RETURN ON RATE BASE (Rate Base*WACC)	(In 78 * In 162)	25,185,002			25,185,002
133	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F)	(Worksheet D, In 2.(B))	-	DA	1.00000	-
134	(Gains) / Losses on Sales of Plant Held for Future Use (Work	sheet N, In 4, Cols. ((F) & (H))	-			-
135	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Fu	uture Use (In 134 * In124)	-			-
136	TOTAL REVENUE REQUIREMENT		61,934,879			61,934,788
	(sum Ins 104, 113, 121, 131, 132, 133)					

AEP OHIO TRANSMISSION COMPANY

SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF							
137	Total transmission plant	(In 20)						408,304,486
137	Less transmission plant excluded from PJM Tariff (Note P)	(111 20)						400,304,400
139	Less transmission plant included in OATT Ancillary Services	(Worksheet A. In 23, Col. (C))) (Note O)					-
140	Transmission plant included in PJM Tariff	(In 137 - In 138 - In 139))) (NOIO Q)				_	408,304,486
141	Percent of transmission plant in PJM Tariff	(In 140 / In 137)					TP=	1.00000
				Payroll Billed from				
142	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	AEP Service Corp.	Total			
143	Line Deliberately Left Blank							
144	Transmission	354.21.b	-	252,227	252,227	TP	1.00000	252,227
145	Regional Market Expenses	354.22.b	-	-	-	NA	0.00000	-
146	Line Deliberately Left Blank							
147	Other (Excludes A&G)	354.24,25,26.b	-	-	-	NA	0.00000	-
148	Total	(sum Ins 144, 145, & 147)	-	252,227	252,227			252,227
149	Transmission related amount						W/S=	1.00000
	ACTUAL CAPPED CAPITAL COST STRUCTURE (Note S)							
150	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
151	Long Term Interest	(Worksheet M, In. 20, col. (E	≣))					9,344,752
152	Preferred Dividends	(Worksheet M, In. 49, col. (E	≣))					-
153	Development of Average Common Stock Balance:							
154	Proprietary Capital	(Worksheet M, In. 1, col. (E)))					293,828,939
155	Less: Preferred Stock	(Worksheet M, In. 2, col. (E)))					-
156	Less: Account 216.1	(Worksheet M, In. 3, col. (E)))					-
457								
157	Less: Account 219	(Worksheet M, In. 4, col. (E)))					-
15 <i>7</i> 158	Less: Account 219 Average Common Stock	(Worksheet M, In. 4, col. (E) (In 154 - In 155 - In 156 - In	•				_	293,828,939
			•	Capital Structure	Percentages Percentages		Cost	293,828,939
	Average Common Stock	(ln 154 - ln 155 - ln 156 - ln	•	Capital Structure Actual	Percentages Cap Limit			
158	Average Common Stock Capped Actual Average Capital Structure	(In 154 - In 155 - In 156 - In Average \$	•	Actual	Cap Limit	. <u>-</u>	(Note S)	Weighted
158 159	Average Common Stock Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E))	(ln 154 - ln 155 - ln 156 - ln	•	Actual 49.68%	Cap Limit 50.00%	<u> </u>	(Note S) 3.22%	Weighted 0.0161
158 159 160	Average Common Stock Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155)	(In 154 - In 155 - In 156 - In Average \$ 290,050,000	•	Actual 49.68% 0.00%	Cap Limit 50.00% 0.00%	_	(Note S) 3.22% 0.00%	Weighted 0.0161 0.0000
158 159	Average Common Stock Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E))	(In 154 - In 155 - In 156 - In Average \$	•	Actual 49.68%	Cap Limit 50.00%	<u> </u>	(Note S) 3.22%	Weighted 0.0161
158 159 160 161	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158)	Average \$ 290,050,000 - 293,828,939	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575
158 159 160 161 162	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T)	Average \$ 290,050,000 - 293,828,939 583,878,939	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575
159 160 161 162 163	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S)	Average \$ 290,050,000 - 293,828,939 583,878,939	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%	_	(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575 0.0736
158 159 160 161 162 163	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC)	Average \$ 290,050,000 - 293,828,939 583,878,939 50.0%	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575 0.0736
158 159 160 161 162 163	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest	Average \$ 290,050,000 - 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132)	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%	_	(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575 0.0736
158 159 160 161 162 163 164 165 166	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends	Average \$ 290,050,000 - 293,828,939 583,878,939 50.0%	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575 0.0736 \$ 508,751,624
158 159 160 161 162 163 164 165 166 167	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock:	Average \$ 290,050,000 - 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134)	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575 0.0736 \$ 508,751,624 Average
158 159 160 161 162 163 164 165 166 167 168	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital	Average \$ 290,050,000 - 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135)	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575 0.0736 \$ 508,751,624
158 159 160 161 162 163 164 165 166 167 168 169	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital Less: Preferred Stock	Average \$ 290,050,000 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135) (Worksheet Q, In. 136)	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	Weighted 0.0161 0.0000 0.0575 0.0736 \$ 508,751,624 - Average 8,857,322,089 -
158 159 160 161 162 163 164 165 166 167 168 169 170	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1	Average \$ 290,050,000 - 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135) (Worksheet Q, In. 136) (Worksheet Q, In. 137)	•	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	\$ 508,751,624 - Average 8,857,322,089 - 5,106,834
158 159 160 161 162 163 164 165 166 167 168 169 170 171	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219	Average \$ 290,050,000 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135) (Worksheet Q, In. 136) (Worksheet Q, In. 137) (Worksheet Q, In. 138)	157)	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	\$ 508,751,624 - Average 8,857,322,089 - 5,106,834 (117,655,197)
158 159 160 161 162 163 164 165 166 167 168 169 170	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1	Average \$ 290,050,000 - 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135) (Worksheet Q, In. 136) (Worksheet Q, In. 137)	157)	Actual 49.68% 0.00% 50.32%	Cap Limit 50.00% 0.00% 50.00%		(Note S) 3.22% 0.00% 11.49%	\$ 508,751,624 - Average 8,857,322,089 - 5,106,834
158 159 160 161 162 163 164 165 166 167 168 169 170 171 172	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219 Common Stock True Up Capitalization with Equity Caps	Average \$ 290,050,000 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135) (Worksheet Q, In. 136) (Worksheet Q, In. 137) (Worksheet Q, In. 138)	157)	Actual 49.68% 0.00% 50.32% 100.00%	Cap Limit 50.00% 0.00% 50.00% 100.00%		(Note S) 3.22% 0.00% 11.49% WACC=	\$ 508,751,624 - Average 8,857,322,089 - 5,106,834 (117,655,197) 8,969,870,452 Weighted
158 159 160 161 162 163 164 165 166 167 168 169 170 171 172	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219 Common Stock True Up Capitalization with Equity Caps Long Term Debt (Worksheet Q, In 148)	Average \$ 290,050,000 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135) (Worksheet Q, In. 136) (Worksheet Q, In. 137) (Worksheet Q, In. 138)	157)	## Actual ## 49.68% 0.00% 50.32% 100.00%	Cap Limit 50.00% 0.00% 50.00% 100.00%		(Note S) 3.22% 0.00% 11.49% WACC=	\$ 508,751,624 - Average 8,857,322,089 - 5,106,834 (117,655,197) 8,969,870,452 Weighted 0.0277
158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219 Common Stock True Up Capitalization with Equity Caps Long Term Debt (Worksheet Q, In 148) Preferred Stock (Worksheet Q, In 149)	Average \$ 290,050,000 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135) (Worksheet Q, In. 136) (Worksheet Q, In. 137) (Worksheet Q, In. 138)	157)	## Actual ## 49.68% 0.00% 50.32% 100.00% ** ** ** ** 51.19% 0.00%	\$ 9,407,429,474		(Note S) 3.22% 0.00% 11.49% WACC= Cost 5.41% 0.00%	\$ 508,751,624 - Average 8,857,322,089 - 5,106,834 (117,655,197) 8,969,870,452 Weighted 0.0277 0.0000
158 159 160 161 162 163 164 165 166 167 168 169 170 171 172	Capped Actual Average Capital Structure Long Term Debt W/S M, In 11, In 21, col. (E)) Preferred Stock (In 155) Common Stock (In 158) Total (Sum Ins 159 to 161) Capital Structure Equity Limit (Note T) AEP OPERATING COMPANIES' COMPOSITE (Note S) WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest Preferred Dividends Development of Actual Average Common Stock: Proprietary Capital Less: Preferred Stock Less: Account 216.1 Less: Account 219 Common Stock True Up Capitalization with Equity Caps Long Term Debt (Worksheet Q, In 148)	Average \$ 290,050,000 293,828,939 583,878,939 50.0% (Worksheet Q, In. 132) (Worksheet Q, In. 134) (Worksheet Q, In. 135) (Worksheet Q, In. 136) (Worksheet Q, In. 137) (Worksheet Q, In. 138)	157)	## Actual ## 49.68% 0.00% 50.32% 100.00%	Cap Limit 50.00% 0.00% 50.00% 100.00%		(Note S) 3.22% 0.00% 11.49% WACC=	\$ 508,751,624 - Average 8,857,322,089 - 5,106,834 (117,655,197) 8,969,870,452 Weighted 0.0277

AEP OHIO TRANSMISSION COMPANY

<u>Letter</u> <u>Notes</u>

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

- A Revenue credits include:
 - 1) Forfeited Discounts.
 - 2) Miscellaneous Service Revenues.
 - 3) Rental revenues earned on assets included in the rate base
 - 4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.
 - 5) Other electric revenues.
 - 6) Revenues for grandfathered PTP contracts included in the load divisor.
 - See Worksheet E for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's.
- C Transmission Plant balances in this study reflect the average of the balances at December 31, 2012 and December 31, 2013.
- The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B.
 - The company will not include the ADIT portion of deferred hedge gains and losses in rate base.
 - Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 88. It excludes:
 - Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancilliary Services Revenue, as shown on line 85.
 AEP transmission equalization transfers, as shown on line 86
 - 3) The impact of state regulatory deferrals and amortizations, as shown on line 87
 - 4) All A&G Expenses, as shown on line 100.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 77 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 133.
- Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 15 & 16 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- H Removes cost of transmission service provided by others to determine the basis of cash working capital on line 88. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 102 and 103 to determine the total O&M collected in the formula. The amounts on lines 102 and 103 are also excluded in the calculation of the FCR percentage calculated on lines 5 through 11.

 The addbacks on lines 102 and 103 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's
 - transmission load relative to their available transmission capacity.
 - The company records referenced on lines 102 and 103 is the AEP OHIO TRANSMISSION COMPANY general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from O&M expense.
- J General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense
- Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M See note K above. Per the settlement in Docket ER10-355, recoverable PBOP expense is based on a rate of 9.4 cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing.
- N Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
- O The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT.

A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)

(In 128) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.

Τ

Inputs Required: FIT = 35.00%

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

- P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- As shown on Worksheet Q, the AEP Ohio Transmission Company capital structure and weighted cost of capital (WACC) shall be based on (1) the weighted composite of AEP East Operating Companies' actual end-of-year capital structure, including year-end outstanding long term debt (LTD) and preferred stock (PS) issuances (Projected) or the beginning and ending average capital structure, including the beginning and ending average outstanding LTD and PS issuances (True-Up) with the common equity portion as capped in Docket No. ER08-1329 where any excess common equity is priced at the cost of LTD and the composite equity ratio is further capped at 50%, and (2) the actual weighted composite LTD and PS cost using actual calendar year LTD expense and PS dividends of the AEP East Operating Companies excluding all interest rate hedging costs and/or gains, until the the Company establishes its own actual capital structure.

Upon establishment of actual debt financing for AEP Ohio Transmission Company, the Company shall use its own actual capital structure capped by a 50% Common Equity Cap and its own LTD costs, excluding all interest rate hedging costs and/or gains, as computed on Worksheet L for the Projected TCOS or Worksheet M for the True Up TCOS.

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet A Supporting Plant Balances AEP OHIO TRANSMISSION COMPANY

(B) (A) (C) (D) (E) <u>Line</u> Balance @ December Balance @ December Average Balance Source of Data <u>Number</u> Rate Base Item & Supporting Balance <u>31, 2013</u> <u>31, 2012</u> for 2013

NOTE: Functional ARO investment and accumulated depreciation balances shown below are included in the total functional balances shown here.

NOTE: The ratebase should not include the unamoritzed balance of hedging gains or losses.

Plant Invest	ment Balances				
1	Line Deliberately Left Blank				
2	Line Deliberately Left Blank				
3	Transmission Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 58	546,738,447	269,870,524	408,304,486
4	Transmission Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	-	-	-
5	Line Deliberately Left Blank				
6	Line Deliberately Left Blank				
7	General Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	162,233	-	81,117
8	General Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	-	-	-
9	Intangible Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5	2,449,753	1,512,802	1,981,278
10	Total Property Investment Balance	(Sum of Lines: 3, 7, 9)	549,350,433	271,383,326	410,366,880
11	Total ARO Balance (included in total on line 10)	(Sum of Lines: 4, 8)	-	-	-
ccumulate	d Depreciation & Amortization Balances				
12	Line Deliberately Left Blank				
13	Line Deliberately Left Blank				
14	Transmission Accumulated Depreciation	FF1, page 219, ln 25, Col. (b)	8,015,070	2,247,930	5,131,500
15	Transmission ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
16	Line Deliberately Left Blank				
17	Line Deliberately Left Blank				
18	General Accumulated Depreciation	FF1, page 219, In 28, Col. (b)	4,901	-	2,451
19	General ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
20	Intangible Accumulated Amortization	FF1, page 200, In 21, Col. (b)	572,137	198,922	385,530
21	Total Accumulated Depreciation or Amortization	(Sum of Lines: 14, 18, 20)	8,592,108	2,446,852	5,519,480
22	Total ARO Balance (included in total on line 21)	(Sum of Lines: 15, 19)	-	-	-
eneration	Step-Up Units				
23	GSU Investment Amount	Company Records - Note 1	-	-	-
24	GSU Accumulated Depreciation	Company Records - Note 1	-	-	-
25	GSU Net Balance	(Line 23 - Line 24)	-	-	-
ransmissio	on Accumulated Depreciation Net of GSU Accumulated	<u>Depreciation</u>			
26	Transmission Accumulated Depreciation	(Line 14 Above)	8,015,070	2,247,930	5,131,500
27	Less: GSU Accumulated Depreciation	(Line 24 Above)	-	-	-
28	Subtotal of Transmission Net of GSU	(Line 26 - Line 27)	8,015,070	2,247,930	5,131,500
Plant Held F	For Future Use				
29	Plant Held For Future Use	FF1, page 214, In 47, Col. (d)	783,326	-	391,663
30	Transmission Plant Held For Future	Company Records - Note 1	783,326	-	391,663
egulatory A	Assets and Liabilities Approved for Recovery In Rateba				
31	Beginning Balance of Regulatory Asset (Note 2)	ded in ratebase pursuant to a 205 filing with the FERC.	40,175	66,959	53,567
32 33	Amortization in Months Monthly Amortization		18 2,232	30 2,232	24 2,232
34 35	Months in 2013 to be amortized Amortization Expense in 2013		12 26,783	12 26,784	12 26,783
36	Months in 2014 to be amortized		6	12	9
37	Amortization Expense in 2014		13,392 13,392	26,784 40,175	20,088 26,784
			13.392	40 1/5	∠o./ŏ4
38 39	Ending Balance of Regulatory Asset Average Balance of Regulatory Asset		26,783	53,567	40,175

NOTE 1 On this worksheet, "Company Records" refers to AEP's property accounting ledger.

NOTE 2 Formation costs through 6/30/2010 are includable at 50% with 48 month amortization and no return on the unamortized balance. The balance on line 41 may not include unamortized

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet B Supporting ADIT and ITC Balances AEP OHIO TRANSMISSION COMPANY

	(A)	(B)	(C)	(D)	(E)
<u>Line</u> <u>Number</u>	<u>Description</u>	<u>Source</u>	Balance @ December 31, 2013	Balance @ December 31, 2012	Average Balance for 2013
1	Account 281				
2 3 4 5	Year End Utility Deferrals Less: ARO Related Deferrals Less: Other Excluded Deferrals Transmission Related Deferrals	FF1, p. 272 - 273, ln 8, Col. (k) Company Records - Note 1 Company Records - Note 1 Ln 2 - ln 3 - ln 4	-	-	- - -
6	Account 282	L11 2 - II1 3 - II1 4	-	-	-
7 8 9	Year End Utility Deferrals Less: ARO Related Deferrals Less: Other Excluded Deferrals	FF1, p. 274 - 275, In 5, Col. (k) Company Records - Note 1 Company Records - Note 1	100,345,309	59,620,358 - -	79,982,834 - -
10	Transmission Related Deferrals	Ln 7 - In 8 - In 9	100,345,309	59,620,358	79,982,834
11	Account 283				
12 13 14	Year End Utility Deferrals Less: ARO Related Deferrals Less: Other Excluded Deferrals	FF1, p. 276 - 277, In 9, Col. (k) Company Records - Note 1 Company Records - Note 1	944,280 - -	845,948 - -	895,114 -
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	944,280	845,948	895,114
16	Account 190				
17 18 19	Year End Utility Deferrals Less: ARO Related Deferrals Less: Other Excluded Deferrals	FF1, p. 234, ln 8, Col. (c) Company Records - Note 1 Company Records - Note 1	26,409,019 - -	8,539,997 - -	17,474,508 -
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	26,409,019	8,539,997	17,474,508
21	Account 255				
22 23	Year End ITC Balances Less: Balances Not Qualified for Ratebase	FF1, p. 266-267, ln 8, Col. (h) Company Records - Note 1	1	1	
24 25	ITC Balances Includeable in Ratebase Transmission Related Deferrals	Ln 22 - In 23 Company Records - Note 1	-	-	

NOTE 1 On this worksheet, "Company Records" refers to AEP's tax accounting ledger.

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

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet C Supporting Working Capital Rate Base Adjustments AEP OHIO TRANSMISSION COMPANY

(A) (B) (C) (D) (E) (F) (G) (H) (I)

Materials & Supplies

<u>Line</u> <u>Number</u>		<u>Source</u>	Balance @ December 31, 2013	Balance @ December 31, 2012	Average Balance for 2013
1					
2	Transmission Materials & Supplies	FF1, p. 227, In 8, Col. (c) & (b)	0	0	-
3	General Materials & Supplies	FF1, p. 227, In 11, Col. (c) & (b)	0	0	-
4	Stores Expense (Undistributed)	FF1, p. 227, In 16, Col. (c) & (b)	0	0	-

		<u>Prepaymen</u>	t Balance Summa	ry			
5		Average of YE Balance	Excludable <u>Balances</u>	100% Transmission <u>Related</u>	Transmission Plant <u>Related</u>	Transmission Labor <u>Related</u>	Total Included in Ratebase (E)+(F)+(G)
6	Totals as of December 31, 2013	882,645	0	0	882,645	0	882,645
7	Totals as of December 31, 2012	49,590	0	0	49,590	0	49,590
8	Average Balance	466,118	-	-	466,118	-	466,118

Prepayments Account 165 - Balance @ 12/31/2013

9	Acc. No.	<u>Description</u>	2013 YE Balance	Excludable Balances	100% Transmission <u>Related</u>	Transmission Plant <u>Related</u>	Transmission Labor <u>Related</u>	Total Included in Ratebase (E)+(F)+(G)	<u>Explanation</u>
10	1650001	Prepaid Insurance	27,569	-		27,569		27,569 P	lant Related Insurance Policies
11	165000213	Prepaid Taxes	9	-		9		9 P	repaid Taxes
12	1650006	Other Prepayments	802,500	-		802,500		802,500 P	repaid Transmission Projects
13	165001213	Prepaid Use Taxes	10,100	-		10,100		10,100 P	repaid Use Taxes
14	1650021	Prepaid Inssurance EIS	39,467	-		39,467		39,467 P	lant Related Insurance Policies
15	1650023	Prepaid Lease	3,000	-		3,000		3,000 P	repaid Lease
16	1650003	Prepaid Rents	0	-				-	
17	1650004	Prepaid Interest	0	-				-	
18	1650010	Prepaid Pension Benefits	0	-				-	
19	1650014	FAS 158 Qual Contra Asset	0	-				-	
20	1650016	FAS 112 ASSETS	0	-				-	
		Subtotal - Form 1, p 111.57.c	882,645	0	0	882,645	0	882,645	

Prepayments Account 165 - Balance @ 12/31/ 2012

21	Acc. No.	<u>Description</u>	2012 <u>YE Balance</u>	Excludable <u>Balances</u>	100% Transmission <u>Related</u>	Plant Related	Labor Related	in Ratebase (E)+(F)+(G)	<u>Explanation</u>
22	1650021	Prepaid Inssurance EIS	42,798	-		42,798		42,798 Pla	nt Related Insurance Policies
23	1650001	Prepaid Insurance	6,792	-		6,792		6,792 Pla	nt Related Insurance Policies
24	165000212	Prepaid Taxes	0	-				-	
25	1650003	Prepaid Rents	0	-				-	
26	1650004	Prepaid Interest	0	-				-	
27	1650005	Prepaid Employee Benefits	0	-				-	
28	1650006	Other Prepayments	0	-				-	
29	1650009	Prepaid Carry Cost-Factored AR	0	-				-	
30	1650010	Prepaid Pension Benefits	0	-				-	
31	1650014	FAS 158 Qual Contra Asset	0	-				-	
32	1650016	FAS 112 ASSETS	0	-				-	
33									
		Subtotal - Form 1, p 111.57.c	49,590	0	0	49,590	0	49,590	

Formula Rate WS D IPP Credits Page 19 of 61

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet D Supporting IPP Credits AEP OHIO TRANSMISSION COMPANY

<u>Line</u> <u>Number</u>	(A) <u>Description</u>	(B) <u>2013</u>
1	Net Funds from IPP Customers 12/31/2012 (2013 FORM 1, P269, line 24.b)	-
2	Interest Expense (Company Records - Note 1)	-
3	Revenue Credits to Generators (Company Records - Note 1)	-
4 5 6	Other Adjustments Accounting Adjustment (Company Records - Note 1)	1
7	Net Funds from IPP Customers 12/31/2013 (2013 FORM 1, P269, line 24.f)	-
8	Average Balance for Year as Indicated in Column ((In 1 + In 7)/2)	-

Note 1 On this worksheet Company Records refers to AEP OHIO TRANSMISSION COMPANY's general ledger.

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet E Supporting Revenue Credits AEP OHIO TRANSMISSION COMPANY

<u>Line</u> Number	<u>Description</u>	<u>Total</u> <u>Company</u>	Non- Transmission	<u>Transmission</u>
1	Account 450, Forfeited Discounts (FF1 p.300.16.(b); Company Records - Note 1)	-	-	-
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)	-	-	-
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	34,750	-	34,750
4	Account 4560015, Associated Business Development - (Company Records - Note 1)	-	-	-
5	Account 456 - Other Electric Revenues - (Company Records - Note 1)	46,506,272	46,506,272	-
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	46,541,022	46,506,272	34,750
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts -	-	-	-
8	(Company Records - Note 1) Total Other Operating Revenues To Reduce Revenue Requirement	46,541,022	46,506,272	34,750

Note 1 The total company data on this worksheet comes from the indicated FF1 source, or AEP OHIO TRANSMISSION COMPANY's general ledger. The functional amounts identified as transmission revenue also come from the general ledger.

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet F Supporting Allocation of Specific O&M or A&G Expenses AEP OHIO TRANSMISSION COMPANY

	(A)	(B)	(C)	(D)	(E) 100%	(F)
<u>Line</u> Number	Item No.	<u>Description</u>	2013 Expense	100% Non-Transmission	Transmission Specific	<u>Explanation</u>
1	5700005	Regulatory O&M Deferrals & Amortizations Maint Station-Reliability-Df				
2						
3 4		Total	0			
5	FF1 p 321.84.b	<u>Detail of Account 561 Per FERC Form 1</u> 561 - Load Dispatching	-			
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability	864			
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System	23,323			
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	(96)			
10 11	FF1 p 321.89.b FF1 p 321.90.b	561.5 - Reliability, Planning and Standards Development 561.6 - Transmission Service Studies	11,949			
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies	_			
13	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Services	-			
14		Total of Account 561	36,040	•		
		Account 928				
15	9280000	Regulatory Commission Exp	-	_	_	
16	9280001	Regulatory Commission Exp-Adm	-	-	-	
17	9280002	Regulatory Commission Exp-Case	-	-	-	
18 19	9280002 9280002	Regulatory Commission Exp-Case Regulatory Commission Exp-Case	-	-	-	
19	9200002	Regulatory Commission Exp-Case	_	-	-	
20		Total		<u> </u>		
20						
21	9301000	Account 930.1				
21 22	9301000	General Advertising Expenses Newspaper Advertising Space		-	-	
23	9301002	Radio Station Advertising Time	-	-	_	
24	9301003	TV Station Advertising Time	-	-	-	
25	9301004	Newspaper Advertising Prod Exp	-	-		
26 27	9301005 9301006	Radio &TV Advertising Prod Exp Spec Corporate Comm Info Proj	•	-	-	
28	9301006	Special Adv Space & Prod Exp		-	-	
29	9301008	Direct Mail and Handouts	-	-	-	
30	9301009	Fairs, Shows, and Exhibits	-	-	-	
31	9301010	Publicity Destinations Towns 1 Consider	-	-	-	
32 33	9301011 9301012	Dedications, Tours, & Openings Public Opinion Surveys	1		-	
34	9301012	Movies Slide Films & Speeches	1		-	
35	9301014	Video Communications	-	-	-	
36	9301015	Other Corporate Comm Exp	-	-	-	
37		Total		-	-	
		Account 930.2				
38	9302000	Misc General Expenses	43,084		43,084	
39	9302003	Corporate & Fiscal Expenses	4,169		4,169	
40	9302004	Research, Develop&Demonstr Exp	-			
41	9302007	Assoc Business Development Exp	-			
42		Total	47,253	-	47,253	

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet G Supporting - Development of Composite State Income Tax Rate AEP OHIO TRANSMISSION COMPANY

1	Ohio State Tax Rate Apportionment Factor - Note 2	2.63% 0.00%	
	Effective State Tax Rate		0.00%
2	Tax Rate Apportionment Factor - Note 2	0.00% 0.00%	
	Effective State Tax Rate	0.0070	0.00%
3	Tax Rate	0.00%	
	Apportionment Factor - Note 2 Effective State Tax Rate	0.00%	0.00%
4	Tax Rate	0.00%	
	Apportionment Factor - Note 2 Effective State Tax Rate	0.00%	0.000/
	Effective State Tax Rate		0.00%
5	Tax Rate	0.00%	
	Apportionment Factor - Note 2	0.00%	0.000/
	Effective State Tax Rate		0.00%
	Total Effective State Income Tax Rate		0.00%

Note 2 Apportionment Factors are determined as part of the Company's annual tax return for that jurisdiction.

The Ohio State Income Tax is being phased-out prorata over a 5 year period from 2005 through 2009. The taxable portion of income is 20% in 2009. The phase-out factors can be found in the Ohio Revised Code at 5733.01(G)2(a)(v). This tax has been replaced with a Commercial Activites Tax that is included in Schedule H.

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet H page 1 Supporting Taxes Other than Income AEP OHIO TRANSMISSION COMPANY

	(A)	(B)	(C)	(D)	(E)	(F)
Line No.	Account	Total Company	Property	Labor	Other	Non-Allocable
<u> 140.</u>	Account	NOTE 1	Property	Labor	Other	Non-Anocable
1	Revenue Taxes Cross Reseints Tax	01				01
2	Gross Receipts Tax	91				91
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - Ohio	16,835,626	16,835,626			
5	Real and Personal Property	-	-			
6 7	Real and Personal Property Real and Personal Property - Other Jurisdictions	-	-			
,	rteal and i ersonal i roperty - Other Junsalctions	-	_			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)	-		-		
10 11	Federal Unemployment Tax State Unemployment Insurance	-		-		
11	State Oriemployment insurance	-		-		
12	Line Deliberately Left Blank					
13	State Severance Taxes	-				-
14	Miscellaneous Taxes					
15	State Business & Occupation Tax	_				-
16	State Public Service Commission Fees	26,302			26,302	
17	State Franchise Taxes	-			-	
18	State Lic/Registration Fee	-			-	
19	Misc. State and Local Tax	-			-	
20 21	Sales & Use Federal Excise Tax	-				-
22	Michigan Single Business Tax	- -				- -
23	Total Taxes by Allocable Basis	16,862,019	16,835,626		26,302	91
	(Total Company Amount Ties to FFI p.114, Ln 14,(c))	to the FEDO Ferror	4 ' \\/\(\O\)			
	NOTE 1: The detail of each total company number and its source	in the FERC Form Inctional Property		H-1.		
		Lines 24-58	Tax / modulion	Lines 24-58		_
		Column (B)		Column (D)		
		Deliberately		Deliberately Left		
		Left Blank	Transmission	Blank	General	<u>Total</u>
24	Functionalized Net Plant (Hist. TCOS, Lns 224 thru 234) OHIO JURISDICTION	-	538,723,377	-	157,332	538,880,709
25	Percentage of Plant in OHIO JURISDICTION					
26	Net Plant in OHIO JURISDICTION (Ln 24 * Ln 25)	-	-	-	_	_
27	Less: Net Value of Exempted Generation Plant					
28	Taxable Property Basis (Ln 26 - Ln 27)	-	-	-	-	-
29	Relative Valuation Factor					
30	Weighted Net Plant (Ln 28 * Ln 29)	- 0.009/	100.00%	0.00%	100.00%	
31 32	General Plant Allocator (Ln 30 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant)	0.00%	100.00%	0.00%	-100.00%	_
33	Weighted OHIO JURISDICTION Plant (Ln 30 + 32)	_	-	-	-	_
34	Functional Percentage (Ln 33/Total Ln 33)	0.00%	100.00%	0.00%		
35	Functionalized Expense in OHIO JURISDICTION	-	16,835,626			16,835,626
20	JURISDICTION					
36 37	Percentage of Plant in JURISDICTION Net Plant in JURISDICTION (Ln 24 * Ln 36)	_	_	_	_	_
38	Less: Net Value of Exempted Generation Plant	-	-	-		-
39	Taxable Property Basis (Ln 37 - Ln 38)	-	-	-	-	-
40	Relative Valuation Factor					
41	Weighted Net Plant (Ln 39 * Ln 40)	-	400.000	-	400.000	
42 43	General Plant Allocator (Ln 41 / (Total - General Plant)) Functionalized General Plant (Ln 42 * General Plant)	0.00%	100.00%	0.00%	-100.00%	
43 44	Weighted JURISDICTION Plant (Ln 41 + 43)	- -	-	-	-	- -
45	Functional Percentage (Ln 44/Total Ln 44)	0.00%	100.00%	0.00%		
46	Functionalized Expense in JURISDICTION	-	-	-		-
	JURISDICTION					
47 40	Net Plant in JURISDICTION (Ln 24 - Ln 26 - Ln 3	-	538,723,377		157,332	538,880,709
48 40	Less: Net Value Exempted Generation Plant		538 723 377		157 332	538 880 700
49 50	Taxable Property Basis Relative Valuation Factor	-	538,723,377		157,332	538,880,709
51	Weighted Net Plant (Ln 49 * Ln 50)	-	-	-	-	
52	General Plant Allocator (Ln 51 / (Total - General Plant)	0.00%	100.00%	0.00%	-100.00%	
53	Functionalized General Plant (Ln 53 * General Plant)	-	-	-	-	
54	Weighted JURISDICTION Plant (Ln 51 + 53)	-	-	-	-	-
55 56	Functional Percentage (Ln 54/Total Ln 54)	0.00%	100.00%	0.00%		
56	Functionalized Expense in JURISDICTION	-	-	-		
57	Total Other Jurisdictions: (Line 7 * Net Plant Allocator)		_			
٠.	(
58	Total Func. Property Taxes (Sum Lns 35, 46 56, 57)	-	16,835,626	-		16,835,626
		-	_	_		•

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet H page 2 Form 1 Source Reference of Company Amounts on WS H AEP OHIO TRANSMISSION COMPANY

(A) (B) (C) (D) Line FERC FORM 1 **Total** FERC FORM 1 Reference **Annual Tax Expenses by Type (Note 1)** Tie-Back No. Company Revenue Taxes Gross Receipts Tax 91 P.263 In 11 (i) 91 P.263.2 In 3 (i) P.263.2 In 4 (i) Real Estate and Personal Property Taxes Real and Personal Property - Ohio 16,835,626 (60,374)P.263 In 18 (i) 16,896,000 P.263 In 19 (i) P.263 In 20 (i) P.263 In 39 (i) P.263.1 ln 2 (i) P.263.1 ln 3 (i) Real and Personal Property - Virginia P.263.2 In 21 (i) P.263.2 In 22 (i) P.263.2 In 24 (i) P.263.2 In 25 (i) P.263.2 In 26 (i) P.263.2 In 27 (i) Real and Personal Property - Tennessee P.263.3 In 3 (i) P.263.3 In 4 (i) Real and Personal Property - Other Jurisdictions P.263.4 In 12 (i) Payroll Taxes Federal Insurance Contribution (FICA) P.263 In 6 (i) Federal Unemployment Tax P.263 In 9 (i) State Unemployment Insurance P.263.1 In 23 (i) P.263.2 In 33 (i) P.263.3 In 16 (i) Line Left Deliberately Blank State Severance Taxes Miscellaneous Taxes State Business & Occupation Tax P.263 In 21 (i) P.263 In 22 (i) State Public Service Commission Fees 26,302 P.263 In 12 (i) 26,302 P.263 In 27 (i) P.263.3 In 20 (i) State Franchise Taxes P.263.1 In 18 (i) P.263.1 In 19 (i) P.263.1 In 34 (i) P.263.2 In 10 (i) P.263.2 ln 11 (i) P.263.2 In 38 (i) P.263.2 In 39 (i) P.263.3 In 27 (i) P.263.3 In 28 (i) P.263.4 In 20 (i) P.263.4 In 27 (i) State Lic/Registration Fee P.263.1 ln 15 (i) P.263.2 In 13 (i) P.263.3 In 8 (i) P.263.4 In 21 (i) Misc. State and Local Tax P.263.1 ln 12 (i) Sales & Use 20 P.263 In 13 (i) P.263 In 14 (i) P.263.2 In 16 (i) P.263.2 In 17 (i) P.263.3 In 21 (i) Federal Excise Tax P.263 In 21 (i) P.263 In 22 (i) Michigan Single Business Tax

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

Total Taxes by Allocable Basis

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

16,862,019

16,862,019

AEPTCo subsidiaries in PJM

Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet I Supporting Transmission Plant in Service Additions AEP OHIO TRANSMISSION COMPANY

(A) (B) (C) (D) (E) (F) (G) (H) (I)

I. Calculation of Composite Depreciation Rate

1	Transmission Plant @ Beginning of Historic Period (2013) (P.206, In 58,(b)):	269,870,524
2	Transmission Plant @ End of Historic Period (2013) (P.207, In 58,(g)):	546,738,447
3		816,608,971
4	Average Balance of Transmission Investment	408,304,486
5	Annual Depreciation Expense, Historic TCOS, In 285	5,749,817
6	Composite Depreciation Rate	1.41%
7	Depreciation rate of AEP Operating Companies from Worksheet P (used if line 6 is zero)	1.41%

II. Calculation of Property Placed in Service by Month and the Related Depreciation Expense

8	Month in Service	Сар	italized Balance	Composite Annual Depreciation Rate	De	Annual epreciation	Мо	onthly Depreciation	No. Months Depreciation	First Year Depreciation Expense
9	January	\$	8,324,507	1.41%	\$	117,227	\$	9,769	11	\$ 107,459
10	February	\$	4,996,714	1.41%	\$	70,365	\$	5,864	10	\$ 58,640
11	March	\$	3,774,597	1.41%	\$	53,155	\$	4,430	9	\$ 39,870
12	April	\$	12,313,814	1.41%	\$	173,405	\$	14,450	8	\$ 115,600
13	May	\$	80,310,741	1.41%	\$	1,130,950	\$	94,246	7	\$ 659,722
14	June	\$	106,740,476	1.41%	\$	1,503,139	\$	125,262	6	\$ 751,572
15	July	\$	13,727,982	1.41%	\$	193,320	\$	16,110	5	\$ 80,550
16	August	\$	24,169,279	1.41%	\$	340,356	\$	28,363	4	\$ 113,452
17	September	\$	9,368,432	1.41%	\$	131,928	\$	10,994	3	\$ 32,982
18	October	\$	10,221,537	1.41%	\$	143,942	\$	11,995	2	\$ 23,990
19	November	\$	10,348,716	1.41%	\$	145,732	\$	12,144	1	\$ 12,144
20	December	\$	136,134,035	1.41%	\$	1,917,064	\$	159,755	0	\$ -
21	Investment	\$	420,430,830	· :					Depreciation Expense	\$ 1,995,981

III. Plant Transferred

III. I Idili I I di Isici i c	u	
22	\$	- <== This input area is for original cost plant
23	\$	- <== This input area is for accumulated depreciation that may be associated with capital
		expenditures. It would have an impact if a company had assets transferred from a subsidiary.
24 (Ln 7 * Ln 22)	\$	- <== This input area is for additional Depreciation Expense

IV. List of Major Projects Expected to be In-Service in 2014

	Estimated Cost	
	<u>(000's)</u>	Month in Service
25 Major Zonal Projects		
26 Vassell: Constr 765/345 kV Sta (Transco)	\$54,348	May-14
27 Vassell: Constr 345/138 kV (Transco)	\$17,151	May-14
28 Groves Rd-Bexley 138kV Line: Rbld existing with steel pole construction W/1033	\$9,056	Jun-14
29 West Lancaster - Bixby 138kV Line - Rebuild/reconductor	\$18,606	Jun-14
30 Hayden - Hyatt 345kV Line: String 2nd 138kV Ckt btwn Amlin and Hyatt stations	\$6,422	Jun-14
31 Shawnee Road - Wapakoneta 69 kV Line: Reconductor/Rebuild	\$6,078	Jun-14
32 Marysville: Repl 7-765kV Shunt reactors on Maliszewski / Flatlick lines	\$25,583	Jun-14
33 Thornville-New Lexington (Zanesville) 69kV: Rebuild S. Somerset-New Lex	\$8,347	Jun-14
34 West Bellaire: Inst 2-138 kV CBs	\$6,525	Jul-14
35 Elk 138kV North Ext (Constr Ext, Tapping Poston-Lick 138kV Circuit) Transco	\$10,441	Aug-14
36 Sunnyside - East Sparta Rebuild 23kV circuit to 69kV stds.	\$13,803	Dec-14
37 Marysville: Repl 765kV transf bank a,b,&d and add new cbs m1,m2,k,k1,&k2	\$24,093	Dec-14
38 Muskingum River: Inst. new 345/138kV 675 MVA xf "d" and cb-su and cb-sw	\$10,085	Dec-14
39 Muskingum River 138kV station: Relocate 138kV corner and globe metal lines	\$5,214	Dec-14
40 Canton Central: Install a new 345/138kV 450 MVA transformer	\$10,081	Dec-14
41 Kirk - Jug: Double Circuit 345kV Ckt to include a 138 kV line	\$27,138	Dec-14
42 Muskingum - Tidd 345 kV Line (Kammer-W Bellaire 345 kV Circuit - Reconductor	\$9,619	Dec-14
43		
44 Subtotal	\$262,590	
45 PJM Socialized/Beneficiary Allocated Regional Projects		
46	\$0	
47 Subtotal	\$0	

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

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones AEP OHIO TRANSMISSION COMPANY

Page 1 of 2

W Incentives

13,412,036 \$

Incentive Amounts

Calculate Return and Income Taxes with 0 basis point ROE increase for Projects Qualified for Regional Billing.

A. Determine 'R' with hypothetical 0 basis point increase in ROE for Identified Projects

ROE w/o incentives (Projected TCOS, In 176)

Project ROE Incentive Adder

ROE with additional 0 basis point incentive

11.49%

-==ROE Adder Cannot Exceed 125 Basis Points

11.49% -== ROE Including Incentives Cannot Exceed 12.74% Until July 1, 2012

Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the Projected TCOS, Ins 159 through162)

10 dobt, 0001 0. p	monomous october and oquity	porcontago la montan
<u>%</u>	<u>Cost</u>	Weighted cost
50.00%	4.14%	2.070%
0.00%	0.00%	0.000%
50.00%	11.49%	<u>5.745%</u>
	R =	7.815%
	% 50.00% 0.00%	50.00% 4.14% 0.00% 0.00% 50.00% 11.49%

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

Rate Base (Projected TCOS, In 78)	879,927,794
R (from A. above)	7.815%
Return (Rate Base x R)	68,768,855

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

Return (from B. above)	68,768,85
Effective Tax Rate (Projected TCOS, In 124)	39.58
Income Tax Calculation (Return x CIT)	27,220,228
ITC Adjustment	
Income Taxes	27,220,228

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

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

Annual Revenue Requirement (Projected TCOS, In 1)	124,130,098
T.E.A. & Lease Payments (Projected TCOS, Lns 102 & 103)	825,497
Return (Projected TCOS, In 132)	68,768,855
Income Taxes (Projected TCOS, In 131)	27,220,228
Annual Revenue Requirement, Less TEA Charges, Return and Taxes	27,315,518

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

Annual Revenue Requirement, Less TEA Charges, Return and Taxes	27,315,518
Return (from I.B. above)	68,768,855
Income Taxes (from I.C. above)	27,220,228
Annual Revenue Requirement, with 0 Basis Point ROE increase	123,304,601
Depreciation (Projected TCOS, In 108)	5,749,817
Annual Rev. Req, w/0 Basis Point ROE increase, less Depreciation	117,554,784

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

Net Transmission Plant (Projected TCOS, In 48) Annual Revenue Requirement, with 0 Basis Point ROE increase FCR with 0 Basis Point increase in ROE	538,723,377 123,304,601 22.89%
Annual Rev. Req, w / 0 Basis Point ROE increase, less Dep. FCR with 0 Basis Point ROE increase, less Depreciation FCR less Depreciation (Projected TCOS, In 9) Incremental FCR with 0 Basis Point ROE increase, less Depreciation	117,554,784 21.82% <u>12.15%</u> 9.67%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Historic Period (2013) (P.206, In 58,(b)):	269,870,524
Transmission Plant @ End of Historic Period (2013) (P.207, In 58,(g)):	546,738,447
Subtotal	816,608,971
Average Transmission Plant Balance for 2013	408,304,486
Annual Depreciation Rate (Projected TCOS, In 108)	5,749,817
Composite Depreciation Rate	1.41%
Depreciable Life for Composite Depreciation Rate	71.01
Round to nearest whole year	71

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

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS

2014

PROJECTED YEAR

Rev Require

13,412,036

AEP OHIO TRANSMISSION COMPANY 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

Current Projected Year ARR w/ Incentive
1,212,574

Project Description: RTEP ID: b0570 (LIMA-STERLING 138 KV LINE: REB)

Current Projected Year ARR w/ Incentive ARR

Current Projected Year ARR w/ Incentive ARR

Details
Investment 9,177,678 Current Year 2014
Service Year (yyyy) 2012 ROE increase accepted by FERC (Basis Points) Service Month (1-12) 12 FCR w/o incentives, less depreciation 12.15%
Useful life 71 FCR w/incentives approved for these facilities, less dep. 12.15%
CIAC (Yes or No) No Annual Depreciation Expense 129,242

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
LIEE OF THE DRO IECT

Page 2 of 2

Description								RTEP Projected Rev. Reg't.From	RTEP Projected Rev. Req't.From	
2012			•	_	•			Prior Year Template	Prior Year Template	
2014 0.044.50	2012	9,177,678	-	9,177,678	1,114,728	1,114,728	\$ -	\$ 747,660	\$ 747,660	
2014 0.044.50			129,242							
2011										
2016 8,708 935 1 (22 242 8,66771 1,191.170 1,195.01 5 - 1 1,195.01	2015									
2017										
2016 8.531.469 120.242 120.242 120.242 1.14.4763 1.14.6783 1.15.002 1.15.00										
2019										
2020 8,272.966 120,242 8,144,744 170,242 8,144,744 1,116,387 1,107,289 1,107										
2021 8 14.3744 120.242 8 0.01.520 1 1.002.890 1 1.002.890 1 1.002.890 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2			-							
2022										
2023										
20224 7,769,070 122,462 7,662,778 102,462 7,762,778 102,462 7,763,778 102,462 7,763,778 102,462 7,763,778 102,462 7,763,778 102,462 7,763,763 102,462 7,763,										
2025 7,696,778 129,242 7,497,500 1,098,699 1,098,699 1,098,690 5 -										
2026										
2027										
2028										
2029						992 805	\$ -			
2000										
2031			-			The state of the s				
2032										
2033			-		·					
2034										
2035 6,334,360 120,242 8,205,119 882,020 882,020 5 - 2036 6,005,119 120,242 5,046,035 851,025 867,227 8 5 - 2037 6,075,877 120,242 5,046,035 851,025 851,025 5 - 2038 6,046,035 6,046,035 6,046,035 851,025 851,025 8 - 2040 6,046,035 6,046,035 6,046,035 851,025 8 6 - 2040 7,046,035 6,046,035 6,046,035 851,027 8 835,027 8 8 - 2040 7,046,035 6,046,035 6,046,035 8 1,045										
2036 6,205,119 123,242 6,075,877 897,222 807,222 5 5 5 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6										
2037										
2038										
2039										
2040			-							
2041										
2042										
2043										
2044 5.771,185 129,242 5.041,943 741,640 741,640 \$ - \$ 2045 5.041,943 129,242 4.912,702 725,942 \$ - \$ 2046 4.912,702 129,242 4.783,460 710,244 710,244 \$ - \$ 2047 4.783,460 129,242 4.564,218 694,547 678,849 678,849 2049 4.524,977 129,242 4.564,939 647,453 647,453 2050 4.396,735 129,242 4.266,493 647,453 647,453 2051 4.266,493 129,242 4.008,010 616,058 616,058 2052 4.137,251 129,242 3.749,526 584,662 2053 4.008,010 129,242 3.749,526 584,662 2054 3.376,768 129,242 3.749,526 584,662 2056 3.260,286 129,242 3.491,043 553,266 2057 3.491,043 129,242 3.318,101 2059 3.232,559 129,242 3.318,101 2059 3.232,559 129,242 3.740,526 2061 2.974,076 129,242 3.740,526 2063 3.033,318 129,242 3.740,526 2064 2.974,076 129,242 3.740,526 2065 3.260,286 129,242 3.202,559 2059 3.232,559 129,242 3.740,526 2059 3.232,559 129,242 3.740,526 2059 3.232,559 129,242 3.740,526 2059 3.232,559 129,242 3.740,526 2059 3.232,559 129,242 3.740,526 2050 3.103,318 129,242 2.974,076 490,475 490,475 2061 2.974,076 129,242 2.974,076 490,475 490,475 2061 2.974,076 129,242 2.715,593 459,080 459,080 2063 2.715,593 129,242 2.715,593 459,080 459,080 2064 2.586,351 129,242 2.715,593 459,080 459,080 2065 2.457,109 129,242 2.196,626 396,289 396,289 2066 2.297,867 129,242 2.196,626 396,289 396,289 2069 1.490,142 129,242 1.190,142 364,893 364,893 364,893 2070 1.181,0901 129,242 1.181,659 333,497 333,497 333,497 332,497 371,800 \$ - \$ 2071 1.181,6901 129,242 1.181,659 334,497 334,497 332,497 334,497 347,497										
2045										
2046										
2047										
2048										
2049										
2050										
2051										
2052 4,137,251 129,242 4,008,010 616,058 616,058 5 - 4 2053 4,008,010 129,242 3,878,768 600,360 600,360 \$ - 5 2054 3,878,768 129,242 3,749,526 584,662 584,662 \$ - 5 2055 3,749,526 129,242 3,620,285 568,964 568,964 \$ - 5 2056 3,620,285 129,242 3,491,043 129,242 3,361,801 537,569 537,569 \$ - 5 2057 3,491,043 129,242 3,323,259 521,871 521,871 \$ - 5 2059 3,232,559 129,242 3,103,318 506,173 506,173 \$ - 5 2060 3,103,318 129,242 2,974,076 490,475 490,475 \$ - 5 2061 2,974,076 129,242 2,284,834 129,242 2,2715,593 459,080 459,080 \$ - 5 2062 2,844,834 129,242 2,715,593 459,080 459,080 \$ - 5 2063 2,715,593 129,242 2,286,351 129,242 2,286,351 43,382 43,382 \$ - 5 2064 2,586,351 129,242 2,286,351 41,986 411,986 \$ - 5 2066 2,327,867 129,242 2,198,626 29,96,289 \$ - 5 2067 2,198,626 129,242 2,198,626 39,62,89 396,289 \$ - 5 2068 2,059,384 129,242 1,194,0142 129,242 1,1810,901 349,195 349,195 \$ - 5 2070 1,1810,901 129,242 1,681,659 333,497 333,497 \$ - 5 2071 1,861,659 129,242 1,165,641 317,800 317,800 \$ - 5 2071 1,861,659 129,242 1,165,641 317,800 317,800 \$ - 5 2071 1,861,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2071 1,861,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2071 1,861,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2071 1,861,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2071 1,861,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2071 1,861,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2071 2,186,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2071 2,186,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2071 2,186,659 129,242 1,155,2417 317,800 317,800 \$ - 5 2084 2,186,186										
2053										
2054										
2055										
2056										
2057										
2058										
2059										
2060 3,103,318 129,242 2,974,076 490,475 490,475 5 -										
2061 2,974,076 129,242 2,844,834 474,777 474,777 \$ -										
2062 2,844,834 129,242 2,715,593 459,080 459,080 \$ -										
2063 2,715,593 129,242 2,586,351 443,382 443,382 \$ - - <td></td>										
2064 2,586,351 129,242 2,457,109 427,684 427,684 \$ - - <td></td>										
2065 2,457,109 129,242 2,327,867 411,986 411,986 5 - 2066 2,327,867 129,242 2,198,626 396,289 396,289 5 - 2067 2,198,626 129,242 2,069,384 380,591 380,591 5 - 2068 2,069,384 129,242 1,940,142 364,893 364,893 5 - 2069 1,940,142 129,242 1,810,901 349,195 349,195 5 - 2070 1,810,901 129,242 1,681,659 333,497 333,497 5 - 2071 1,681,659 129,242 1,552,417 317,800 317,800 5 -										
2065 2,457,109 129,242 2,327,867 411,986 411,986 5 - 2066 2,327,867 129,242 2,198,626 396,289 396,289 5 - 2067 2,198,626 129,242 2,069,384 380,591 380,591 5 - 2068 2,069,384 129,242 1,940,142 364,893 364,893 5 - 2069 1,940,142 129,242 1,810,901 349,195 349,195 5 - 2070 1,810,901 129,242 1,681,659 333,497 333,497 5 - 2071 1,681,659 129,242 1,552,417 317,800 317,800 5 -										
2066 2,327,867 129,242 2,198,626 396,289 396,289 \$ - - <td></td> <td></td> <td></td> <td></td> <td></td> <td>411,986</td> <td>\$ -</td> <td></td> <td></td> <td></td>						411,986	\$ -			
2067 2,198,626 129,242 2,069,384 380,591 380,591 \$ - - <td>2066</td> <td>2,327,867</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	2066	2,327,867								
2068 2,069,384 129,242 1,940,142 364,893 \$ - 2069 1,940,142 129,242 1,810,901 349,195 \$ - 2070 1,810,901 129,242 1,681,659 333,497 \$ - 2071 1,681,659 129,242 1,552,417 317,800 317,800 \$ -	2067	2,198,626	129,242	2,069,384	380,591	380,591	\$ -			
2069 1,940,142 129,242 1,810,901 349,195 349,195 \$ - 2070 1,810,901 129,242 1,681,659 333,497 \$ - 2071 1,681,659 129,242 1,552,417 317,800 317,800 \$ -	2068		129,242			364,893	\$ -			
2070 1,810,901 129,242 1,681,659 333,497 \$ - 2071 1,681,659 129,242 1,552,417 317,800 317,800 \$ -										
2071 1,681,659 129,242 1,552,417 317,800 \$ -		1,810,901	129,242	1,681,659	333,497					
Project Totals 7 625 261 46 723 831 46 723 831 -										
110000 10000 -	Project Totals		7,625,261		46,723,831	46,723,831	-			

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Current Projected Year ARR

Current Projected Year ARR w/ Incentive

453,040

Project Description: RTEP ID: b1231 (WAPAKONETA-WEST MOULTON 138/69KV Transformer)

Current Projected Year ARR w/ Incentive ARR

Current Projected Year Incentive ARR

Details

Investment 3,473,922 Current Year

Service Year (yyyy) 2011 ROE increase accepted by FERC (Basis Points)

Service Month (1-12) 12 FCR w/o incentives, less depreciation 12.15%

Useful life 71 FCR w/incentives approved for these facilities, less dep. 12.15%

CIAC (Yes or No) No Annual Depreciation Expense 48,920

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.

Page 2 of 2

							RTEP Projected	RTEP Projected	
				DTED 0	DTED 5	los di =	Rev. Req't.From	Rev. Req't.From	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	Prior Year Template w/o Incentives	Prior Year Template with Incentives **	
2011	3,473,922	-	3,473,922	421,945	421,945				
2012	3,473,922	48,920	3,425,002	464,924	464,924		\$ 386,386	\$ 386,386	
2013	3,425,002	48,920	3,376,081	458,982 453,040	458,982 453,040		\$ 410,711	\$ 410,711	
2014 2015	3,376,081 3,327,161	48,920 48,920	3,327,161 3,278,240	453,040 447,098	453,040 447,098				
2016	3,278,240	48,920	3,229,320	441,156	441,156				
2017	3,229,320	48,920	3,180,400	435,214	435,214				
2018	3,180,400	48,920	3,131,479	429,272	429,272				
2019	3,131,479	48,920	3,082,559	423,330	423,330				
2020	3,082,559	48,920	3,033,638	417,388	417,388				
2021	3,033,638	48,920	2,984,718	411,447	411,447				
2022	2,984,718	48,920	2,935,798	405,505	405,505				
2023	2,935,798	48,920	2,886,877	399,563	399,563				
2024	2,886,877	48,920	2,837,957	393,621		\$ -			
2025 2026	2,837,957	48,920	2,789,037	387,679 381,737	387,679 381,737				
2026	2,789,037 2,740,116	48,920 48,920	2,740,116 2,691,196	375,795	375,795				
2027	2,691,196	48,920	2,642,275	369,853	369,853				
2029	2,642,275	48,920	2,593,355	363,911	363,911				
2030	2,593,355	48,920	2,544,435	357,969	357,969	\$ -			
2031	2,544,435	48,920	2,495,514	352,027	352,027	\$ -			
2032	2,495,514	48,920	2,446,594	346,086	346,086	\$ -			
2033	2,446,594	48,920	2,397,673	340,144	340,144				
2034	2,397,673	48,920	2,348,753	334,202	334,202				
2035	2,348,753	48,920	2,299,833	328,260	328,260				
2036	2,299,833	48,920	2,250,912	322,318	322,318				
2037	2,250,912	48,920 48,920	2,201,992	316,376	316,376 310,434				
2038 2039	2,201,992 2,153,071	48,920 48,920	2,153,071 2,104,151	310,434 304,492	310,434				
2040	2,104,151	48,920	2,055,231	298,550	298,550				
2041	2,055,231	48,920	2,006,310	292,608	292,608				
2042	2,006,310	48,920	1,957,390	286,666	286,666				
2043	1,957,390	48,920	1,908,469	280,725	280,725				
2044	1,908,469	48,920	1,859,549	274,783	274,783				
2045	1,859,549	48,920	1,810,629	268,841	268,841				
2046	1,810,629	48,920	1,761,708	262,899	262,899				
2047	1,761,708	48,920	1,712,788	256,957	256,957				
2048 2049	1,712,788 1,663,867	48,920	1,663,867 1,614,947	251,015 245,073	251,015 245,073				
2050	1,614,947	48,920 48,920	1,566,027	239,131	239,131				
2051	1,566,027	48,920	1,517,106	233,189	233,189				
2052	1,517,106	48,920	1,468,186	227,247	227,247				
2053	1,468,186	48,920	1,419,266	221,305	221,305				
2054	1,419,266	48,920	1,370,345	215,364	215,364	\$ -			
2055	1,370,345	48,920	1,321,425	209,422	209,422				
2056	1,321,425	48,920	1,272,504	203,480	203,480				
2057	1,272,504	48,920	1,223,584	197,538	197,538				
2058	1,223,584	48,920	1,174,664	191,596	191,596				
2059 2060	1,174,664 1,125,743	48,920 48,920	1,125,743 1,076,823	185,654 179,712	185,654 179,712				
2061	1,076,823	48,920	1,027,902	173,770	173,770				
2062	1,027,902	48,920	978,982	167,828	167,828				
2063	978,982	48,920	930,062	161,886	161,886				
2064	930,062	48,920	881,141	155,944	155,944				
2065	881,141	48,920	832,221	150,003	150,003	\$ -			
2066	832,221	48,920	783,300	144,061	144,061				
2067	783,300	48,920	734,380	138,119	138,119				
2068	734,380	48,920	685,460	132,177	132,177				
2069 2070	685,460 636,539	48,920 48,920	636,539 587,619	126,235 120,293	126,235 120,293				
Project Totals	030,339	2,886,303	507,019	17,685,840	17,685,840				
i roject rotais		2,000,303		17,000,040	17,000,040	-			

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Current Projected Year ARR

Current Projected Year ARR w/ Incentive

Project Description: RTEP ID: b1034.1 (South Canton - West Canton 138kV line and Wagenhals – Wayview 138kV

Current Projected Year ARR w/ Incentive ARR

Current Projected Year Incentive ARR

-

Details

Investment 7,213,197 Current Year

Service Year (yyyy) 2013 ROE increase accepted by FERC (Basis Points) Service Month (1-12) 11 FCR w/o incentives, less depreciation 12.15%

Useful life 71 FCR w/incentives approved for these facilities, less dep. 12.15%

CIAC (Yes or No) No Annual Depreciation Expense 101,578

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.

Page 2 of 2

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	7,213,197	8,465	7,204,732	883,557	883,557	\$ -	\$ 443,007	\$ 443,007	
2014	7,204,732	101,578	7,103,155	964,332	964,332				
2015	7,103,155	101,578	7,001,577	951,995	951,995				
2016	7,001,577	101,578	6,900,000	939,657	939,657				
2017	6,900,000	101,578	6,798,422	927,319	927,319				
2018	6,798,422	101,578	6,696,845	914,981	914,981				
2019	6,696,845	101,578	6,595,267	902,644	902,644				
2020	6,595,267	101,578	6,493,689	890,306	890,306				
2021	6,493,689	101,578	6,392,112	877,968	877,968				
2022	6,392,112	101,578	6,290,534	865,631	865,631				
2023	6,290,534	101,578	6,188,957	853,293	853,293				
2024	6,188,957	101,578	6,087,379	840,955	840,955				
2025	6,087,379	101,578	5,985,802	828,618	828,618				
2026	5,985,802	101,578	5,884,224 5,782,647	816,280	816,280				
2027 2028	5,884,224 5,782,647	101,578 101,578	5,782,647	803,942	803,942 791,605				
2028	5,782,647 5,681,069	101,578	5,681,069 5,579,492	791,605 779,267	791,605 779,267				
2029	5,579,492	101,578	5,477,914	779,267 766,929	766,929				
2030	5,477,914	101,578	5,376,337	754,592	754,592				
2032	5,376,337	101,578	5,274,759	742,254	742,254				
2033	5,274,759	101,578	5,173,182	729,916	729,916				
2034	5,173,182	101,578	5,071,604	717,578	717,578				
2035	5,071,604	101,578	4,970,026	705,241	705,241				
2036	4,970,026	101,578		692,903	692,903				
2037	4,868,449	101,578		680,565	680,565				
2038	4,766,871	101,578	4,665,294	668,228	668,228				
2039	4,665,294	101,578	4,563,716	655,890	655,890				
2040	4,563,716	101,578	4,462,139	643,552	643,552				
2041	4,462,139	101,578	4,360,561	631,215	631,215				
2042	4,360,561	101,578	4,258,984	618,877	618,877	\$ -			
2043	4,258,984	101,578	4,157,406	606,539	606,539				
2044	4,157,406	101,578	4,055,829	594,202	594,202	\$ -			
2045	4,055,829	101,578	3,954,251	581,864	581,864				
2046	3,954,251	101,578	3,852,674	569,526	569,526				
2047	3,852,674	101,578	3,751,096	557,189	557,189				
2048	3,751,096	101,578	3,649,519	544,851	544,851				
2049	3,649,519	101,578	3,547,941	532,513	532,513				
2050	3,547,941	101,578	3,446,363	520,176	520,176				
2051	3,446,363	101,578	3,344,786	507,838	507,838				
2052	3,344,786	101,578	3,243,208	495,500	495,500				
2053	3,243,208	101,578	3,141,631	483,162	483,162				
2054 2055	3,141,631	101,578	3,040,053	470,825 458,487	470,825 458,487				
2055 2056	3,040,053 2,938,476	101,578 101,578	2,938,476 2,836,898	458,487 446,149	458,487 446,149				
2056	2,938,476 2,836,898	101,578	2,836,898 2,735,321	433,812	433,812				
2058	2,735,321	101,578	2,633,743	421,474	421,474				
2059	2,633,743	101,578	2,532,166	409,136	409,136				
2060	2,532,166	101,578	2,430,588	396,799	396,799				
2061	2,430,588	101,578	2,329,011	384,461	384,461				
2062	2,329,011	101,578	2,227,433	372,123	372,123				
2063	2,227,433	101,578	2,125,856	359,786	359,786				
2064	2,125,856	101,578	2,024,278	347,448	347,448				
2065	2,024,278	101,578	1,922,700	335,110	335,110				
2066	1,922,700	101,578	1,821,123	322,773	322,773				
2067	1,821,123	101,578	1,719,545	310,435	310,435				
2068	1,719,545	101,578	1,617,968	298,097	298,097				
2069	1,617,968	101,578	1,516,390	285,759	285,759	\$ -			
2070	1,516,390	101,578	1,414,813	273,422	273,422	\$ -			
2071	1,414,813	101,578	1,313,235	261,084	261,084				
2072	1,313,235	101,578	1,211,658	248,746	248,746	\$ -			
Project Totals		6,001,539		36,669,377	36,669,377	-			

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

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

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

A. Base Plan Facilities

Facilities receiving	g incentives accepted by FERC in Docket No.	(e.g. ER05-925-000)	Current Projected Year ARR Current Projected Year ARR w/ Incentive	568,269 568,269		
Project Description:	RTEP ID: b1034.8 (138kV Circuit Breakers at the West Canton	n, South Canton, Canton Central, and Wagenhals stations)	Current Projected Year Incentive ARR			
Details			٦			
Investment	4,246,117 Current Year	2014	CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUI			
Service Year (yyyy)	2013 ROE increase accepted by FERC (Basis Po	pints) -	- CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE RE			
Service Month (1-12)	12 FCR w/o incentives, less depreciation	12.15	12.15% INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PF			
			5% TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER TH			
· · · · · · · · · · · · · · · · · · ·	71 FCR w/incentives approved for these facilities		TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER TH			

Page 2 of 2

Useful life CIAC (Yes or No)		Annual Depreciation E		s, less dep.		12.15% 59,795	LIFE OF THE PROJECT.	MAINTAIN HISTORY OF PROJECT	LD ANNO OVER THE	-
CIAC (165 01 NO)	INO	Annual Depreciation L.	фензе			39,793	LIFE OF THE PROJECT.			
							RTEP Projected	RTEP Projected		
							Rev. Reg't.From	Rev. Reg't.From		
Investment	Beginning	Depreciation	Ending	RTEP Rev. Reg't.	RTEP Rev. Reg't.	Incentive Rev.	Prior Year Template	Prior Year Template		
Year	Balance	Expense	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	with Incentives **		
2013	4,246,117	-	4,246,117	515,737	515,737		\$ 244,284	\$ 244,284		
2014	4,246,117	59,795	4,186,322	568,269	568,269		Ψ 244,204	Ψ 244,204		
2015	4,186,322	59,795	4,126,528	561,006	561,006					
2016	4,126,528	59,795	4,066,733	553,743	553,743					
2017	4,066,733	59,795	4,006,939	546,480	546,480					
2018	4,006,939	59,795	3,947,144	539,218	539,218					
2019	3,947,144	59,795	3,887,350	531,955	531,955					
2020	3,887,350	59,795	3,827,555	524,692	524,692					
2021	3,827,555	59,795	3,767,760	517,430	517,430					
2022	3,767,760	59,795	3,707,966	510,167	510,167	\$ -				
2023	3,707,966	59,795	3,648,171	502,904	502,904	\$ -				
2024	3,648,171	59,795	3,588,377	495,642	495,642					
2025	3,588,377	59,795	3,528,582	488,379	488,379					
2026	3,528,582	59,795	3,468,787	481,116	481,116					
2027	3,468,787	59,795	3,408,993	473,853	473,853	\$ -				
2028	3,408,993	59,795	3,349,198	466,591	466,591	\$ -				
2029	3,349,198	59,795	3,289,404	459,328	459,328	\$ -				
2030	3,289,404	59,795	3,229,609	452,065	452,065	\$ -				
2031	3,229,609	59,795	3,169,815	444,803	444,803	\$ -				
2032	3,169,815	59,795	3,110,020	437,540	437,540	\$ -				
2033	3,110,020	59,795	3,050,225	430,277	430,277	\$ -				
2034	3,050,225	59,795	2,990,431	423,015	423,015	\$ -				
2035	2,990,431	59,795	2,930,636	415,752	415,752	\$ -				
2036	2,930,636	59,795	2,870,842	408,489	408,489	\$ -				
2037	2,870,842	59,795	2,811,047	401,227	401,227	\$ -				
2038	2,811,047	59,795	2,751,252	393,964	393,964	\$ -				
2039	2,751,252	59,795	2,691,458	386,701	386,701	\$ -				
2040	2,691,458	59,795	2,631,663	379,438	379,438	\$ -				
2041	2,631,663	59,795	2,571,869	372,176	372,176	\$ -				
2042	2,571,869	59,795	2,512,074	364,913	364,913					
2043	2,512,074	59,795	2,452,280	357,650	357,650					
2044	2,452,280	59,795	2,392,485	350,388	350,388					
2045	2,392,485	59,795	2,332,690	343,125	343,125					
2046	2,332,690	59,795	2,272,896	335,862	335,862					
2047	2,272,896	59,795	2,213,101	328,600	328,600					
2048	2,213,101	59,795	2,153,307	321,337	321,337					
2049	2,153,307	59,795	2,093,512	314,074	314,074					
2050	2,093,512	59,795	2,033,717	306,811	306,811					
2051	2,033,717	59,795	1,973,923	299,549	299,549					
2052	1,973,923	59,795	1,914,128	292,286	292,286					
2053	1,914,128	59,795	1,854,334	285,023	285,023					
2054	1,854,334	59,795	1,794,539	277,761	277,761					
2055	1,794,539	59,795	1,734,745	270,498	270,498					
2056	1,734,745	59,795	1,674,950	263,235	263,235					
2057	1,674,950	59,795	1,615,155	255,973	255,973					
2058	1,615,155	59,795	1,555,361	248,710	248,710					
2059	1,555,361	59,795	1,495,566	241,447	241,447					
2060	1,495,566	59,795 50,705	1,435,772	234,185	234,185					
2061	1,435,772	59,795 50,705	1,375,977	226,922	226,922					
2062	1,375,977	59,795 50,705	1,316,183	219,659	219,659					
2063	1,316,183	59,795 59,795	1,256,388	212,396 205,134	212,396 205 134					
2064 2065	1,256,388		1,196,593	205,134 197,871	205,134 197,871					
2065	1,196,593 1,136,799	59,795 59,795	1,136,799 1,077,004	190,608						
2066	1,136,799 1,077,004	59,795 59,795	1,017,004	183,346	190,608 183,346					
2068	1,077,004	59,795 59,795	957,415	176,083	176,083					
2069	957,415	59,795 59,795	897,620	168,820	168,820					
2070	897,620	59,795 59,795	837,826	161,558	161,558					
2070	837,826	59,795	778,031	154,295	154,295					
2072	778,031	59,795 59,795	718,237	147,032	147,032					
	770,001	3,527,880	7 10,207	21,617,108	21,617,108	-				
Project Totals		3,527,880		21,017,108	21,017,108	-				

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Current Projected Year ARR

Current Projected Year ARR w/ Incentive

Current Projected Year ARR w/ Incentive

RTEP ID: b1864.2 (West Bellaire-Brues 138 kV Circuit)

Current Projected Year Incentive ARR

Current Projected Year ARR w/ Incentive

Current Projected Year Incentive ARR

Details			
Investment	1,053,967	Current Year	2014
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	12.15%
Useful life	71	FCR w/incentives approved for these facilities, less dep.	12.15%
CIAC (Yes or No)	No	Annual Depreciation Expense	14,842

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.

Page 2 of 2

CIAC (Tes di 140)		Annual Depreciation E				14,042			
Investment	Beginning	Depreciation	Ending	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	RTEP Projected Rev. Req't.From Prior Year Template	RTEP Projected Rev. Req't.From Prior Year Template	
Year	Balance	Expense	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	with Incentives **	
2013	1,053,967	2,474	1,051,493	130,189	130,189		\$ 124,755		
2014	1,051,493	14,842	1,036,651	140,755	140,755		Ψ 124,733	Ψ 124,700	
2015	1,036,651	14,842	1,021,809	138,952	138,952				
2016	1,021,809	14,842	1,006,967	137,149	137,149				
2017	1,006,967	14,842	992,125	135,346	135,346				
2018	992,125	14,842	977,283	133,544	133,544				
2019	977,283	14,842	962,440	131,741	131,741				
2019	962,440	14,842	947,598	129,938	129,938				
2020	947,598	14,842	932,756	128,135	128,135				
2022	932,756	14,842	917,914	126,333	126,333				
2022	917,914	14,842	903,072		124,530				
2023	903,072	14,842	888,230	122,727	122,727				
2025	888,230	14,842	873,387	120,924	120,924				
2026	873,387	14,842	858,545	119,122	119,122				
2027	858,545	14,842	843,703	117,319	117,319				
2028	843,703	14,842	828,861	115,516	115,516				
2029	828,861	14,842	814,019	113,714	113,714				
2030	814,019	14,842	799,177		111,911				
2031	799,177	14,842	784,335	110,108	110,108				
2032	784,335	14,842	769,492	108,305	108,305				
2033	769,492	14,842	754,650	106,503	106,503				
2034	754,650	14,842	739,808	104,700	104,700				
2035	739,808	14,842	724,966	102,897	102,897				
2036	724,966	14,842	710,124	101,094	101,094				
2037	710,124	14,842	695,282	99,292	99,292				
2038	695,282	14,842	680,439	97,489					
2039	680,439	14,842	665,597	95,686	95,686				
2040	665,597	14,842	650,755	93,883	93,883	\$ -			
2041	650,755	14,842	635,913	92,081	92,081	\$ -			
2042	635,913			90,278	90,278	\$ -			
2043	621,071	14,842	606,229	88,475	88,475				
2044	606,229	14,842	591,387	86,672	86,672				
2045	591,387	14,842	576,544	84,870	84,870				
2046	576,544	14,842	561,702	83,067	83,067				
2047	561,702	14,842	546,860	81,264	81,264				
2048	546,860	14,842	532,018	79,461	79,461				
2049	532,018	14,842	517,176	77,659	77,659				
2050	517,176	14,842	502,334	75,856	75,856				
2051	502,334	14,842	487,492	74,053	74,053				
2052	487,492	14,842	472,649	72,251	72,251				
2053	472,649	14,842	457,807	70,448	70,448				
2054	457,807	14,842	442,965	68,645	68,645				
2055	442,965	14,842	428,123	66,842	66,842				
2056	428,123	14,842	413,281	65,040	65,040				
2057	413,281	14,842	398,439	63,237	63,237				
2058	398,439	14,842	383,596	61,434	61,434				
2059	383,596	14,842	368,754	59,631	59,631				
2060	368,754	14,842		57,829	57,829				
2061	353,912	14,842	339,070	56,026	56,026				
2062	339,070	14,842		54,223	54,223				
2063	324,228	14,842	309,386	52,420	52,420				
2064	309,386		294,544	50,618	50,618				
2065	294,544	14,842	279,701	48,815	48,815				
2066	279,701	14,842	264,859	47,012	47,012				
2067	264,859	14,842	250,017	45,209	45,209				
2068	250,017	14,842	235,175	43,407	43,407				
2069	235,175	14,842	220,333	41,604	41,604				
2070	220,333	14,842	205,491	39,801	39,801	\$ -			
2071	205,491	14,842	190,648	37,998	37,998				
2072	190,648	14,842	175,806	36,196	36,196	\$ -			
Project Totals		878,161		5,350,224	5,350,224	-			
-		,		. ,					

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Current Projected Year ARR
Current Projected Year ARR w/ Incentive
900,905
Current Projected Year ARR w/ Incentive
Current Projected Year ARR w/ Incentive
RTEP ID: b1870 (Replace Ohio Central transformer #1 345/138/12 kV 450 MVA for a 345/138/34.5 kV 675 MVA transformer)

Details

Investment 6,731,582 Current Year

Service Year (yyyy) 2013 ROE increase accepted by FERC (Basis Points)
Service Month (1-12) 12 FCR w/o incentives, less depreciation 12.15%

Useful life 71 FCR w/incentives approved for these facilities, less dep. 12.15%

CIAC (Yes or No) No Annual Depreciation Expense 94,795

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.

Page 2 of 2

							RTEP Projected	RTEP Projected	
							Rev. Req't.From	Rev. Req't.From	
Investment	Beginning	Depreciation	Ending	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Prior Year Template		
Year	Balance	Expense	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	with Incentives **	
2013	6,731,582	- 04.705	6,731,582	817,623	817,623		\$ 576,980	\$ 576,980	
2014	6,731,582	94,795	6,636,787	900,905	900,905				
2015	6,636,787	94,795	6,541,991	889,391		\$ -			
2016	6,541,991	94,795	6,447,196	877,877	877,877				
2017 2018	6,447,196	94,795 94,795	6,352,401	866,363	866,363 854,849				
2019	6,352,401 6,257,605	94,795	6,257,605 6,162,810	854,849 843,335	843,335				
2020	6,162,810	94,795	6,068,015	831,821	831,821				
2020	6,068,015	94,795	5,973,219	820,307	820,307				
2022	5,973,219	94,795	5,878,424	808,793	808,793				
2023	5,878,424	94,795	5,783,629	797,279	797,279				
2024	5,783,629	94,795	5,688,833	785,765	785,765				
2025	5,688,833	94,795	5,594,038	774,252	774,252				
2026	5,594,038	94,795	5,499,243	762,738	762,738				
2027	5,499,243	94,795	5,404,447	751,224	751,224				
2028	5,404,447	94,795	5,309,652	739,710	739,710				
2029	5,309,652	94,795	5,214,856	728,196	728,196				
2030	5,214,856	94,795	5,120,061	716,682	716,682				
2031	5,120,061	94,795	5,025,266	705,168	705,168				
2032	5,025,266	94,795	4,930,470	693,654	693,654				
2033	4,930,470	94,795	4,835,675	682,140	682,140				
2034	4,835,675	94,795	4,740,880	670,626	670,626	\$ -			
2035	4,740,880	94,795	4,646,084	659,112	659,112	\$ -			
2036	4,646,084	94,795	4,551,289	647,598	647,598				
2037	4,551,289	94,795	4,456,494	636,085	636,085				
2038	4,456,494	94,795	4,361,698	624,571	624,571				
2039	4,361,698	94,795	4,266,903	613,057	613,057				
2040	4,266,903	94,795	4,172,108	601,543	601,543				
2041	4,172,108	94,795	4,077,312	590,029	590,029				
2042	4,077,312	94,795	3,982,517	578,515	578,515				
2043	3,982,517	94,795	3,887,722	567,001	567,001				
2044	3,887,722	94,795	3,792,926	555,487	555,487				
2045	3,792,926	94,795	3,698,131	543,973	543,973				
2046	3,698,131	94,795	3,603,336	532,459	532,459				
2047	3,603,336	94,795	3,508,540	520,945	520,945				
2048	3,508,540	94,795	3,413,745	509,431	509,431				
2049 2050	3,413,745	94,795	3,318,950	497,918	497,918				
2051	3,318,950 3,224,154	94,795 94,795	3,224,154 3,129,359	486,404 474,890	486,404 474,890				
2052	3,129,359	94,795	3,034,564	463,376	463,376				
2052	3,034,564	94,795	2,939,768	451,862	451,862				
2054	2,939,768	94,795	2,844,973	440,348	440,348				
2055	2,844,973	94,795	2,750,178	428,834	428,834				
2056	2,750,178	94,795	2,655,382	417,320	417,320				
2057	2,655,382	94,795	2,560,587	405,806	405,806				
2058	2,560,587	94,795	2,465,791	394,292	394,292				
2059	2,465,791	94,795	2,370,996	382,778	382,778				
2060	2,370,996	94,795	2,276,201	371,264	371,264				
2061	2,276,201	94,795	2,181,405	359,751	359,751				
2062	2,181,405	94,795	2,086,610	348,237	348,237				
2063	2,086,610	94,795	1,991,815	336,723	336,723				
2064	1,991,815	94,795	1,897,019	325,209	325,209	\$ -			
2065	1,897,019	94,795	1,802,224	313,695	313,695	\$ -			
2066	1,802,224	94,795	1,707,429	302,181	302,181				
2067	1,707,429	94,795	1,612,633	290,667	290,667				
2068	1,612,633	94,795	1,517,838	279,153	279,153				
2069	1,517,838	94,795	1,423,043	267,639	267,639				
2070	1,423,043	94,795	1,328,247	256,125	256,125				
2071	1,328,247	94,795	1,233,452	244,611	244,611				
2072	1,233,452	94,795	1,138,657	233,097	233,097	\$ -			
Project Totals		5,592,925		34,270,684	34,270,684	-			

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Current Projected Year ARR

Current Projected Year ARR w/ Incentive

Current Projected Year ARR w/ Incentive

RTEP ID: b1032.2 (Construct two 138kV outlets to Delano 138kV station and to Camp Sherman station)

Current Projected Year ARR w/ Incentive

Current Projected Year ARR w/ Incentive ARR

Details

Investment 2,652,513 Current Year 2014

Service Year (yyyy) 2014 ROE increase accepted by FERC (Basis Points) Service Month (1-12) 12 FCR w/o incentives, less depreciation 12.15%

Useful life 71 FCR w/incentives approved for these facilities, less dep. 12.15%

CIAC (Yes or No) No Annual Depreciation Expense 37,353

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.

Page 2 of 2

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	2,652,513	-	2,652,513	322,176	322,176	\$ -			
2015	2,652,513	37,353	2,615,160	354,993	354,993				
2016	2,615,160	37,353	2,577,807	350,456	350,456				
2017	2,577,807	37,353	2,540,454	345,919	345,919				
2018	2,540,454	37,353	2,503,100	341,382	341,382				
2019	2,503,100	37,353	2,465,747	336,845	336,845				
2020	2,465,747	37,353	2,428,394	332,308	332,308				
2021	2,428,394	37,353	2,391,041	327,771	327,771				
2022	2,391,041	37,353	2,353,688	323,234	323,234				
2023	2,353,688	37,353	2,316,335	318,697	318,697				
2024	2,316,335	37,353	2,278,981	314,160	314,160				
2025	2,278,981	37,353	2,241,628	309,623	309,623				
2026	2,241,628	37,353	2,204,275	305,086	305,086				
2027	2,204,275	37,353	2,166,922	300,549	300,549				
2028 2029	2,166,922	37,353	2,129,569	296,012	296,012 291,475				
2029	2,129,569 2,092,216	37,353 37,353	2,092,216 2,054,862	291,475 286,938	291,475 286,938				
2030	2,092,216	37,353	2,054,662	282,401	282,401	Φ.			
2031	2,054,862	37,353 37,353	2,017,509 1,980,156	282,401 277,864	282,401 277,864	\$ - \$ -			
2032	1,980,156	37,353	1,942,803	273,328	273,328				
2034	1,942,803	37,353	1,905,450	268,791		\$ -			
2035	1,905,450	37,353	1,868,097	264,254	264,254				
2036	1,868,097	37,353	1,830,743	259,717	259,717				
2037	1,830,743	37,353	1,793,390	255,180	255,180				
2038	1,793,390	37,353	1,756,037	250,643	250,643				
2039	1,756,037	37,353	1,718,684	246,106	246,106				
2040	1,718,684	37,353	1,681,331	241,569	241,569				
2041	1,681,331	37,353	1,643,978	237,032	237,032				
2042	1,643,978	37,353	1,606,624	232,495	232,495				
2043	1,606,624	37,353	1,569,271	227,958	227,958				
2044	1,569,271	37,353	1,531,918	223,421	223,421	\$ -			
2045	1,531,918	37,353	1,494,565	218,884	218,884	\$ -			
2046	1,494,565	37,353	1,457,212	214,347	214,347				
2047	1,457,212	37,353	1,419,859	209,810	209,810				
2048	1,419,859	37,353	1,382,505	205,273	205,273				
2049	1,382,505	37,353	1,345,152	200,736	200,736				
2050	1,345,152	37,353	1,307,799	196,199	196,199				
2051	1,307,799	37,353	1,270,446	191,663	191,663				
2052	1,270,446	37,353	1,233,093	187,126	187,126				
2053	1,233,093	37,353	1,195,740	182,589	182,589				
2054	1,195,740	37,353	1,158,386	178,052	178,052				
2055	1,158,386	37,353	1,121,033	173,515 168,078	173,515	\$ - ¢			
2056 2057	1,121,033 1,083,680	37,353 37,353	1,083,680 1,046,327	168,978 164,441	168,978 164,441				
2057	1,083,680	37,353 37,353	1,046,327	159,904	159,904				
2059	1,048,974	37,353	971,621	155,367	155,367				
2060	971,621	37,353	934,267	150,830	150,830				
2061	934,267	37,353	896,914	146,293	146,293				
2062	896,914	37,353	859,561	141,756	141,756				
2063	859,561	37,353	822,208	137,219	137,219				
2064	822,208	37,353	784,855	132,682	132,682				
2065	784,855	37,353	747,502	128,145	128,145				
2066	747,502	37,353	710,148	123,608	123,608				
2067	710,148	37,353	672,795	119,071	119,071				
2068	672,795	37,353	635,442	114,534	114,534				
2069	635,442	37,353	598,089	109,998	109,998				
2070	598,089	37,353	560,736	105,461	105,461	\$ -			
2071	560,736	37,353	523,383	100,924	100,924	\$ -			
2072	523,383	37,353	486,029	96,387	96,387				
2073	486,029	37,353	448,676	91,850	91,850	\$ -			
Project Totals		2,203,837		13,504,023	13,504,023	-			

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Current Projected Year ARR

Current Projected Year ARR w/ Incentive

580,874

Project Description:

Current Projected Year Incentive ARR

Current Projected Year Incentive ARR

DetailsInvestment4,702,570Current Year2014Service Year (yyyy)2014ROE increase accepted by FERC (Basis Points)-Service Month (1-12)10FCR w/o incentives, less depreciation12.15%Useful life71FCR w/incentives approved for these facilities, less dep.12.15%CIAC (Yes or No)NoAnnual Depreciation Expense66,222

RTEP ID: b1034.2 (Loop the existing South Canton - Wayview 138kV circuit in-and-out of West Canton)

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.

Page 2 of 2

							RTEP Projected Rev. Req't.From		RTEP Projected Rev. Req't.From	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	Prior Year Templa w/o Incentives	e	Prior Year Template with Incentives **	
2014	4,702,570	11,037	4,691,533	580,874	580,874	\$ -				
2015	4,691,533	66,222	4,625,310	628,016	628,016					
2016	4,625,310	66,222	4,559,088	619,973	619,973	\$ -				
2017	4,559,088	66,222	4,492,866	611,929	611,929					
2018	4,492,866	66,222	4,426,643	603,886	603,886					
2019	4,426,643	66,222	4,360,421	595,843	595,843					
2020	4,360,421	66,222	4,294,198	587,799	587,799					
2021	4,294,198	66,222	4,227,976	579,756	579,756					
2022	4,227,976	66,222	4,161,753	571,712	571,712					
2023	4,161,753	66,222	4,095,531	563,669	563,669					
2024	4,095,531	66,222	4,029,309	555,625	555,625					
2025	4,029,309	66,222	3,963,086	547,582	547,582					
2026 2027	3,963,086	66,222 66,222		539,539 531,405	539,539 531,495					
2028	3,896,864 3,830,641	66,222		531,495 523,452	523,452					
2028	3,764,419	66,222	3,764,419	523,452 515,408	523,452 515,408					
2030	3,698,196	66,222	3,631,974	515,408	507,365					
2031	3,631,974	66,222	3,565,752	499,321	499,321					
2032	3,565,752	66,222	3,499,529	491,278	491,278					
2033	3,499,529	66,222	3,433,307	483,235	483,235					
2034	3,433,307	66,222	3,367,084	475,191	475,191					
2035	3,367,084	66,222	3,300,862	467,148	467,148					
2036	3,300,862	66,222	3,234,639	459,104	459,104					
2037	3,234,639	66,222	3,168,417	451,061	451,061					
2038	3,168,417	66,222	3,102,195	443,017	443,017					
2039	3,102,195	66,222	3,035,972	434,974	434,974					
2040	3,035,972	66,222	2,969,750	426,931	426,931					
2041	2,969,750	66,222	2,903,527	418,887	418,887	\$ -				
2042	2,903,527	66,222	2,837,305	410,844	410,844					
2043	2,837,305	66,222	2,771,082	402,800	402,800					
2044	2,771,082			394,757						
2045	2,704,860		2,638,637	386,713						
2046	2,638,637	66,222	2,572,415	378,670						
2047	2,572,415		2,506,193	370,627	370,627					
2048	2,506,193	66,222	2,439,970	362,583	362,583					
2049	2,439,970	66,222	2,373,748	354,540	354,540					
2050	2,373,748	66,222	2,307,525	346,496	346,496					
2051	2,307,525	66,222	2,241,303	338,453	338,453					
2052	2,241,303	66,222	2,175,080	330,409	330,409					
2053 2054	2,175,080 2,108,858	66,222 66,222	2,108,858 2,042,636	322,366 314,323	322,366 314,323					
2054	2,108,858		1,976,413	314,323	314,323 306,279					
2056	1,976,413	66,222		298,236	298,236					
2057	1,910,191	66,222		290,192	290,192					
2058	1,843,968	66,222	1,777,746	282,149	282,149					
2059	1,777,746	66,222	1,711,523	274,105	274,105					
2060	1,711,523	66,222	1,645,301	266,062	266,062					
2061	1,645,301	66,222	1,579,079	258,019	258,019					
2062	1,579,079	66,222	1,512,856	249,975	249,975					
2063	1,512,856	66,222	1,446,634	241,932	241,932	\$ -				
2064	1,446,634	66,222	1,380,411	233,888	233,888					
2065	1,380,411	66,222	1,314,189	225,845	225,845					
2066	1,314,189	66,222	1,247,966	217,801	217,801					
2067	1,247,966	66,222	1,181,744	209,758	209,758					
2068	1,181,744	66,222	1,115,521	201,715	201,715					
2069	1,115,521	66,222	1,049,299	193,671	193,671					
2070	1,049,299	66,222	983,077	185,628	185,628					
2071	983,077	66,222	916,854	177,584	177,584					
2072	916,854	66,222	850,632 784,400	169,541	169,541					
2073	850,632	66,222	784,409	161,497	161,497	φ -				

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

Project Totals

3,918,161

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.

23,871,526

23,871,526

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Current Projected Year ARR

Current Projected Year ARR w/ Incentive

Current Projected Year ARR w/ Incentive

RTEP ID: b1034.3 (Install a 345/138kV 450 MVA transformer at Canton Central)

Current Projected Year ARR w/ Incentive

Current Projected Year Incentive ARR

Current Projected Year ARR w/ Incentive

Current Projected Year Incentive ARR

Details			
Investment	13,263,997	Current Year	2014
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	12.15%
Useful life	71	FCR w/incentives approved for these facilities, less dep.	12.15%
CIAC (Yes or No)	No	Annual Depreciation Expense	186,786

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.

Page 2 of 2

							RTEP Projected Rev. Reg't.From	RTEP Projected Rev. Req't.From	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	Prior Year Template w/o Incentives	Prior Year Template with Incentives **	
2014	13,263,997	-	13,263,997	1,611,055	1,611,055	\$ -			
2015	13,263,997	186,786	13,077,211	1,775,154	1,775,154	\$ -			
2016	13,077,211	186,786	12,890,425	1,752,467	1,752,467				
2017	12,890,425	186,786	12,703,639	1,729,780	1,729,780				
2018	12,703,639	186,786	12,516,853	1,707,093	1,707,093				
2019	12,516,853	186,786	12,330,067	1,684,405	1,684,405				
2020	12,330,067	186,786	12,143,281	1,661,718	1,661,718				
2021	12,143,281	186,786	11,956,495	1,639,031	1,639,031				
2022	11,956,495	186,786	11,769,709	1,616,344	1,616,344				
2023	11,769,709	186,786	11,582,923	1,593,657	1,593,657				
2024	11,582,923	186,786	11,396,137	1,570,970	1,570,970				
2025	11,396,137	186,786	11,209,351	1,548,282	1,548,282				
2026	11,209,351	186,786	11,022,565	1,525,595	1,525,595				
2027	11,022,565	186,786	10,835,779	1,502,908	1,502,908				
2028	10,835,779	186,786	10,648,993	1,480,221	1,480,221				
2029	10,648,993	186,786	10,462,207	1,457,534	1,457,534				
2030	10,462,207	186,786	10,275,421	1,434,847	1,434,847				
2031	10,275,421	186,786	10,088,635	1,412,159	1,412,159				
2032	10,088,635	186,786	9,901,849	1,389,472	1,389,472				
2032	9,901,849	186,786	9,715,063	1,366,785	1,366,785				
2034	9,715,063	186,786	9,528,277	1,344,098	1,344,098				
2035	9,528,277	186,786	9,341,491	1,321,411	1,321,411				
2036	9,341,491	186,786	9,154,705	1,298,724	1,298,724				
2037	9,154,705	186,786	8,967,919	1,276,036	1,276,036				
2038	8,967,919	186,786	8,781,133	1,253,349	1,253,349				
2039 2040	8,781,133	186,786	8,594,347	1,230,662	1,230,662 1,207,975				
	8,594,347	186,786	8,407,561	1,207,975					
2041	8,407,561	186,786	8,220,775	1,185,288	1,185,288				
2042 2043	8,220,775	186,786	8,033,989	1,162,601	.,,	\$ - ¢			
	8,033,989	186,786	7,847,203	1,139,913	1,139,913				
2044	7,847,203		7,660,417	1,117,226					
2045	7,660,417	186,786	7,473,631	1,094,539	1,094,539				
2046	7,473,631	186,786	7,286,845	1,071,852	1,071,852				
2047	7,286,845	186,786	7,100,060	1,049,165	1,049,165				
2048	7,100,060	186,786	6,913,274	1,026,478	1,026,478				
2049	6,913,274	186,786	6,726,488	1,003,790	1,003,790				
2050	6,726,488	186,786	6,539,702	981,103	981,103				
2051	6,539,702	186,786	6,352,916	958,416	958,416				
2052	6,352,916	186,786	6,166,130	935,729	935,729				
2053	6,166,130	186,786	5,979,344	913,042	913,042				
2054	5,979,344	186,786	5,792,558	890,355	890,355				
2055	5,792,558	186,786	5,605,772	867,667	867,667				
2056	5,605,772	186,786	5,418,986	844,980	844,980				
2057	5,418,986	186,786	5,232,200	822,293	822,293				
2058	5,232,200 5,045,414	186,786	5,045,414	799,606	799,606				
2059	5,045,414	186,786	4,858,628	776,919	776,919				
2060	4,858,628	186,786	4,671,842	754,232	754,232				
2061	4,671,842	186,786	4,485,056	731,544	731,544				
2062	4,485,056	186,786	4,298,270	708,857	708,857				
2063	4,298,270	186,786	4,111,484	686,170	686,170				
2064	4,111,484	186,786	3,924,698	663,483	663,483				
2065	3,924,698	186,786	3,737,912	640,796	640,796				
2066	3,737,912	186,786	3,551,126	618,108	618,108				
2067	3,551,126	186,786	3,364,340	595,421	595,421				
2068	3,364,340	186,786	3,177,554	572,734	572,734				
2069	3,177,554	186,786	2,990,768	550,047	550,047				
2070	2,990,768	186,786	2,803,982	527,360	527,360				
2071	2,803,982	186,786	2,617,196	504,673	504,673				
2072	2,617,196	186,786	2,430,410	481,985	481,985				
2073	2,430,410	186,786	2,243,624	459,298	459,298	-			
Project Totals		11,020,373		67,527,403	67,527,403	-			

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Current Projected Year ARR

Current Projected Year ARR w/ Incentive

1,502,768

Current Projected Year ARR w/ Incentive

Current Projected Year ARR w/ Incentive

Current Projected Year Incentive ARR

Current Projected Year Incentive ARR

Details			
Investment	12,372,456	Current Year	2014
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	12.15%
Useful life	71	FCR w/incentives approved for these facilities, less dep.	12.15%
CIAC (Yes or No)	No	Annual Depreciation Expense	174,231

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.

Page 2 of 2

							RTEP Projected Rev. Req't.From	RTEP Projected Rev. Req't.From	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	Prior Year Template w/o Incentives	Prior Year Template with Incentives **	
2014	12,372,456	-	12,372,456	1,502,768	1,502,768				
2015	12,372,456	174,231	12,198,225	1,655,837	1,655,837	\$ -			
2016	12,198,225	174,231	12,023,994	1,634,675	1,634,675	\$ -			
2017	12,023,994	174,231	11,849,763	1,613,512	1,613,512	\$ -			
2018	11,849,763	174,231	11,675,531	1,592,350	1,592,350	\$ -			
2019	11,675,531	174,231	11,501,300	1,571,188	1,571,188				
2020	11,501,300	174,231	11,327,069	1,550,026	1,550,026	\$ -			
2021	11,327,069	174,231	11,152,838	1,528,863	1,528,863	\$ -			
2022	11,152,838	174,231	10,978,607	1,507,701	1,507,701	\$ -			
2023	10,978,607	174,231	10,804,376	1,486,539	1,486,539	\$ -			
2024	10,804,376	174,231	10,630,145	1,465,377	1,465,377	\$ -			
2025	10,630,145	174,231	10,455,913	1,444,214	1,444,214	\$ -			
2026	10,455,913	174,231	10,281,682	1,423,052	1,423,052	\$ -			
2027	10,281,682	174,231	10,107,451	1,401,890	1,401,890				
2028	10,107,451	174,231	9,933,220	1,380,728	1,380,728				
2029	9,933,220	174,231	9,758,989	1,359,565	1,359,565				
2030	9,758,989	174,231	9,584,758	1,338,403	1,338,403				
2031	9,584,758	174,231	9,410,527	1,317,241	1,317,241				
2032	9,410,527	174,231	9,236,295	1,296,079	1,296,079				
2033	9,236,295	174,231	9,062,064	1,274,916	1,274,916				
2034	9,062,064	174,231	8,887,833	1,253,754	1,253,754				
2035	8,887,833	174,231	8,713,602	1,232,592	1,232,592				
2036	8,713,602	174,231	8,539,371	1,211,430	1,211,430				
2037	8,539,371	174,231	8,365,140	1,190,267	1,190,267				
2038	8,365,140	174,231	8,190,909	1,169,105	1,169,105				
2039	8,190,909	174,231	8,016,677	1,147,943	1,147,943				
2040	8,016,677	174,231	7,842,446	1,126,781	1,126,781				
2041	7,842,446	174,231	7,668,215	1,105,618	1,105,618				
2042	7,668,215	174,231	7,493,984	1,084,456	1,084,456				
2043	7,493,984	174,231	7,319,753	1,063,294	1,063,294				
2044	7,319,753	174,231	7,145,522						
2045	7,145,522	174,231	6,971,291	1,020,969	1,020,969				
2046	6,971,291	174,231	6,797,059	999,807	999,807				
2047	6,797,059	174,231	6,622,828	978,645	978,645				
2048	6,622,828	174,231	6,448,597	957,483	957,483				
2049	6,448,597	174,231	6,274,366	936,320	936,320				
2050	6,274,366	174,231	6,100,135	915,158	915,158				
2051	6,100,135	174,231	5,925,904	893,996	893,996				
2052	5,925,904	174,231	5,751,673	872,834	872,834				
2053	5,751,673	174,231	5,577,441	851,671	851,671				
2054	5,577,441	174,231	5,403,210	830,509	830,509				
2055	5,403,210	174,231	5,228,979	809,347	809,347				
2056	5,228,979	174,231	5,054,748	788,185	788,185				
2057	5,054,748	174,231	4,880,517	767,022	767,022				
2058	4,880,517	174,231	4,706,286	745,860	745,860				
2059	4,706,286	174,231	4,532,054	724,698	724,698				
2060	4,532,054	174,231	4,357,823	703,536	703,536				
2061	4,357,823	174,231	4,183,592	682,373	682,373				
2062	4,183,592	174,231	4,009,361	661,211	661,211				
2063	4,009,361	174,231	3,835,130	640,049	640,049				
2064	3,835,130	174,231	3,660,899	618,887	618,887				
2065	3,660,899	174,231	3,486,668	597,724	597,724				
2066	3,486,668	174,231	3,312,436	576,562	576,562				
2067	3,312,436	174,231	3,138,205	555,400	555,400				
2068	3,138,205	174,231	2,963,974	534,238	534,238				
2069	2,963,974	174,231	2,789,743	513,075	513,075				
2070	2,789,743	174,231	2,615,512	491,913	491,913				
2071	2,615,512	174,231	2,441,281	470,751	470,751				
2072	2,441,281	174,231	2,267,050	449,589	449,589				
2073	2,267,050	174,231	2,092,818	428,426	428,426				
Drainet Tatala	2,207,000	10 070 600	2,002,010	420,420	420,420	Ψ			

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

Project Totals

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.

10,279,638

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.

62,988,541

62,988,541

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

Current Projected Year ARR w/ Incentive

294,473

Project Description: RTEP ID: b2018 (Loop Conesville-Bixby 345 kV circuit into Ohio Central)

Current Projected Year ARR w/ Incentive

Current Projected Year Incentive ARR

Current Projected Year Incentive ARR

DetailsInvestment2,200,307Current Year2014Service Year (yyyy)2013ROE increase accepted by FERC (Basis Points)-Service Month (1-12)12FCR w/o incentives, less depreciation12.15%Useful life71FCR w/incentives approved for these facilities, less dep.12.15%CIAC (Yes or No)NoAnnual Depreciation Expense30,985

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.

Page 2 of 2

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	2,200,307	-	2,200,307	267,251	267,251	\$ -	\$ 0	\$ 0	
2014	2,200,307	30,985	2,169,322	294,473	294,473	\$ -			
2015	2,169,322	30,985	2,138,337	290,709	290,709	\$ -			
2016	2,138,337	30,985	2,107,352	286,946	286,946				
2017	2,107,352	30,985	2,076,367	283,182	283,182				
2018	2,076,367	30,985	2,045,381	279,419	279,419				
2019	2,045,381	30,985	2,014,396	275,655	275,655				
2020	2,014,396	30,985	1,983,411	271,892	271,892				
2021	1,983,411	30,985	1,952,426	268,128	268,128				
2022	1,952,426	30,985	1,921,441	264,365	264,365				
2023	1,921,441	30,985	1,890,456	260,601		\$ -			
2024	1,890,456	30,985	1,859,471	256,838	256,838				
2025	1,859,471	30,985	1,828,486	253,074	253,074				
2026 2027	1,828,486	30,985	1,797,500	249,311	249,311	\$ - ¢			
2027	1,797,500 1,766,515	30,985 30,985	1,766,515 1,735,530	245,547 241,784	245,547 241,784				
2029	1,735,530	30,985	1,704,545	238,020	238,020				
2030	1,704,545	30,985	1,673,560	234,257	234,257				
2031	1,673,560	30,985	1,642,575	230,494	230,494				
2032	1,642,575	30,985	1,611,590	226,730	226,730				
2033	1,611,590	30,985	1,580,605	222,967	222,967				
2034	1,580,605	30,985	1,549,620	219,203	219,203				
2035	1,549,620	30,985	1,518,634	215,440	215,440				
2036	1,518,634	30,985	1,487,649	211,676	211,676				
2037	1,487,649	30,985	1,456,664	207,913	207,913				
2038	1,456,664	30,985	1,425,679	204,149	204,149				
2039	1,425,679	30,985	1,394,694	200,386	200,386				
2040	1,394,694	30,985	1,363,709	196,622	196,622				
2041	1,363,709	30,985	1,332,724	192,859	192,859				
2042	1,332,724	30,985	1,301,739	189,095	189,095	\$ -			
2043	1,301,739	30,985	1,270,753	185,332	185,332	\$ -			
2044	1,270,753	30,985	1,239,768	181,568	181,568				
2045	1,239,768	30,985	1,208,783	177,805	177,805				
2046	1,208,783	30,985	1,177,798	174,041	174,041				
2047	1,177,798	30,985	1,146,813	170,278	170,278				
2048	1,146,813	30,985	1,115,828	166,514	166,514				
2049	1,115,828	30,985	1,084,843	162,751	162,751				
2050	1,084,843	30,985	1,053,858	158,987	158,987				
2051	1,053,858	30,985	1,022,873	155,224	155,224				
2052	1,022,873	30,985	991,887	151,461	151,461				
2053	991,887	30,985	960,902	147,697	147,697				
2054 2055	960,902 929,917	30,985 30,985	929,917	143,934 140,170	143,934 140,170				
2056	898,932	30,985	898,932 867,947	136,407	136,407				
2056	867,947	30,985	836,962	132,643	132,643				
2058	836,962	30,985	805,977	128,880	128,880				
2059	805,977	30,985	774,992	125,116	125,116				
2060	774,992	30,985	744,006	121,353	121,353				
2061	744,006	30,985	713,021	117,589	117,589				
2062	713,021	30,985	682,036	113,826	113,826				
2063	682,036	30,985	651,051	110,062	110,062				
2064	651,051	30,985	620,066	106,299	106,299				
2065	620,066	30,985	589,081	102,535	102,535				
2066	589,081	30,985	558,096	98,772	98,772				
2067	558,096	30,985	527,111	95,008	95,008				
2068	527,111	30,985	496,126	91,245	91,245				
2069	496,126	30,985	465,140	87,481	87,481	\$ -			
2070	465,140	30,985	434,155	83,718	83,718	\$ -			
2071	434,155	30,985	403,170	79,954	79,954				
2072	403,170	30,985	372,185	76,191	76,191	-			
Project Totals		1,828,122		11,201,828	11,201,828	-			

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

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.

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

Worksheet 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

Current Projected Year ARR w/ Incentive

Current Projected Year ARR w/ Incentive

Current Projected Year Incentive ARR

Current Projected Year Incentive ARR

Current Projected Year Incentive ARR

RTEP ID: b2021 (Add 345/138 kV Transformers at Sporn, Kanawha River, and Muskingum River stations)

Details

Investment 16,898,024 Current Year 2014

Service Year (yyyy) 2014 ROE increase accepted by FERC (Basis Points) Service Month (1-12) 12 FCR w/o incentives, less depreciation 12.15%

Useful life 71 FCR w/incentives approved for these facilities, less dep. 12.15%

CIAC (Yes or No) No Annual Depreciation Expense 237,961

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.

Page 2 of 2

							RTEP Projected Rev. Req't.From	RTEP Projected Rev. Req't.From	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	Prior Year Template w/o Incentives	Prior Year Template with Incentives **	
2014	16,898,024	-	16,898,024	2,052,447	2,052,447	\$ -			
2015	16,898,024	237,961	16,660,063	2,261,505	2,261,505	\$ -			
2016	16,660,063	237,961	16,422,102	2,232,602	2,232,602				
2017	16,422,102	237,961	16,184,141	2,203,699	2,203,699	\$ -			
2018	16,184,141	237,961	15,946,180	2,174,796	2,174,796				
2019	15,946,180	237,961	15,708,219	2,145,893	2,145,893	\$ -			
2020	15,708,219	237,961	15,470,258	2,116,991	2,116,991	\$ -			
2021	15,470,258	237,961	15,232,297	2,088,088	2,088,088	\$ -			
2022	15,232,297	237,961	14,994,336	2,059,185	2,059,185	\$ -			
2023	14,994,336	237,961	14,756,375	2,030,282	2,030,282	\$ -			
2024	14,756,375	237,961	14,518,414	2,001,379	2,001,379	\$ -			
2025	14,518,414	237,961	14,280,453	1,972,476	1,972,476	\$ -			
2026	14,280,453	237,961	14,042,492	1,943,573	1,943,573	\$ -			
2027	14,042,492	237,961	13,804,531	1,914,670	1,914,670	\$ -			
2028	13,804,531	237,961	13,566,570	1,885,767	1,885,767	\$ -			
2029	13,566,570	237,961	13,328,609	1,856,864	1,856,864	\$ -			
2030	13,328,609	237,961	13,090,648	1,827,961	1,827,961	\$ -			
2031	13,090,648	237,961	12,852,687	1,799,058	1,799,058	\$ -			
2032	12,852,687	237,961	12,614,726	1,770,155	1,770,155	\$ -			
2033	12,614,726	237,961	12,376,765	1,741,252	1,741,252				
2034	12,376,765	237,961	12,138,804	1,712,350	1,712,350	\$ -			
2035	12,138,804	237,961	11,900,843	1,683,447	1,683,447	\$ -			
2036	11,900,843	237,961	11,662,882	1,654,544	1,654,544	\$ -			
2037	11,662,882	237,961	11,424,921	1,625,641	1,625,641				
2038	11,424,921	237,961	11,186,960	1,596,738	1,596,738	\$ -			
2039	11,186,960	237,961	10,948,999	1,567,835	1,567,835				
2040	10,948,999	237,961	10,711,038	1,538,932	1,538,932	\$ -			
2041	10,711,038	237,961	10,473,077	1,510,029	1,510,029	\$ -			
2042	10,473,077	237,961	10,235,116	1,481,126	1,481,126				
2043	10,235,116	237,961	9,997,155	1,452,223	1,452,223				
2044	9,997,155	237,961	9,759,194	1,423,320					
2045	9,759,194	237,961	9,521,233	1,394,417	1,394,417				
2046	9,521,233	237,961	9,283,272	1,365,514	1,365,514				
2047	9,283,272	237,961	9,045,311	1,336,611	1,336,611				
2048	9,045,311	237,961	8,807,350	1,307,709	1,307,709				
2049	8,807,350	237,961	8,569,389	1,278,806	1,278,806				
2050	8,569,389	237,961	8,331,428	1,249,903	1,249,903				
2051	8,331,428	237,961	8,093,467	1,221,000	1,221,000				
2052	8,093,467	237,961	7,855,506	1,192,097	1,192,097				
2053	7,855,506	237,961	7,617,545	1,163,194	1,163,194				
2054	7,617,545	237,961	7,379,584	1,134,291	1,134,291				
2055	7,379,584	237,961	7,141,623	1,105,388	1,105,388				
2056	7,141,623	237,961	6,903,662	1,076,485	1,076,485				
2057	6,903,662	237,961	6,665,701	1,047,582	1,047,582				
2058	6,665,701	237,961	6,427,740	1,018,679	1,018,679				
2059	6,427,740	237,961	6,189,779	989,776	989,776				
2060	6,189,779	237,961	5,951,818 5,713,857	960,873	960,873				
2061	5,951,818 5,712,957	237,961	5,713,857 5,475,806	931,970	931,970				
2062	5,713,857 5,475,806	237,961	5,475,896 5,237,035	903,068 874,165	903,068 874 165				
2063 2064	5,475,896 5,237,935	237,961 237,961	5,237,935 4,999,974	874,165 845,262	874,165 845,262				
2065	5,237,935 4,999,974	237,961	4,999,974 4,762,013	845,262 816,359	845,262 816,359				
2066	4,762,013	237,961	4,762,013	787,456	787,456				
2067	4,762,013 4,524,052	237,961	4,524,052 4,286,091	767,456 758,553	757,456 758,553				
2068	4,286,091	237,961	4,048,130	738,333 729,650	736,533 729,650				
2069	4,048,130	237,961	3,810,169	729,630	729,030				
2070	3,810,169	237,961	3,572,208	671,844	671,844				
2070	3,572,208	237,961	3,334,247	642,941	642,941				
2072	3,334,247	237,961	3,096,286	614,038	614,038				
2072	3,096,286	237,961	2,858,325	585,135	585,135				
Drainet Totals	5,555,250	14 020 600	2,000,020	000,100	000,100	Ψ			

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

Project Totals

14,039,699

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.

86,028,342

86,028,342

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

Worksheet 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

Current Projected Year ARR w/ Incentive
2,808,368

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

Current Projected Year Incentive ARR

Details

Investment 22,001,113 Current Year 2014

Service Year (yyyy) 2014 ROE increase accepted by FERC (Basis Points) Service Month (1-12) 6 FCR w/o incentives, less depreciation 12.15%

Useful life 71 FCR w/incentives approved for these facilities, less dep. 12.15%

CIAC (Yes or No) No Annual Depreciation Expense 309,824

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.

Page 2 of 2

Investment	Beginning	Depreciation	Ending	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	RTEP Projected Rev. Req't.From Prior Year Template	Rev. R	P Projected Req't.From ear Template	
Year	Balance	Expense	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives		ncentives **	
2014	22,001,113	154,912	21,846,201	2,808,368	2,808,368					
2015	21,846,201	309,824	21,536,378	2,925,649	2,925,649				_	
2016	21,536,378	309,824	21,226,554	2,888,017	2,888,017				_	
2017	21,226,554	309,824	20,916,730	2,850,386	2,850,386				_	
2018	20,916,730	309,824	20,606,907	2,812,754	2,812,754				_	
2019	20,606,907	309,824	20,297,083	2,775,123	2,775,123				_	
2020	20,297,083	309,824	19,987,259	2,737,492	2,737,492				_	
2021	19,987,259	309,824	19,677,436	2,699,860	2,699,860				_	
2022	19,677,436	309,824	19,367,612	2,662,229	2,662,229				_	
2023	19,367,612	309,824	19,057,789	2,624,597	2,624,597				_	
2024	19,057,789	309,824	18,747,965	2,586,966	2,586,966				_	
2025	18,747,965	309,824	18,438,141	2,549,335	2,549,335				_	
2026 2027	18,438,141	309,824 309,824	18,128,318 17,818,494	2,511,703 2,474,072	2,511,703 2,474,072				_	
2027	18,128,318 17,818,494	309,824	17,518,494	2,474,072	2,474,072				_	
2029	17,508,671	309,824	17,198,847	2,398,809	2,398,809				_	
2030	17,198,847	309,824	16,889,023	2,361,177	2,361,177				_	
2031	16,889,023	309,824	16,579,200	2,323,546	2,323,546				_	
2032	16,579,200	309,824	16,269,376	2,285,915	2,285,915					
2033	16,269,376	309,824	15,959,552	2,248,283	2,248,283					
2034	15,959,552	309,824	15,649,729	2,210,652	2,210,652				_	
2035	15,649,729	309,824	15,339,905	2,173,020	2,173,020				_	
2036	15,339,905	309,824	15,030,082	2,135,389	2,135,389				_	
2037	15,030,082	309,824	14,720,258	2,097,758	2,097,758				_	
2038	14,720,258	309,824	14,410,434	2,060,126	2,060,126				_	
2039	14,410,434	309,824	14,100,611	2,022,495	2,022,495	\$ -			_	
2040	14,100,611	309,824	13,790,787	1,984,863	1,984,863	\$ -			_	
2041	13,790,787	309,824	13,480,963	1,947,232	1,947,232				_	
2042	13,480,963	309,824	13,171,140	1,909,600	1,909,600				_	
2043	13,171,140	309,824	12,861,316	1,871,969	1,871,969				_	
2044	12,861,316	309,824	12,551,493	1,834,338	1,834,338				_	
2045	12,551,493	309,824	12,241,669	1,796,706	1,796,706				_	
2046	12,241,669	309,824	11,931,845	1,759,075	1,759,075				_	
2047	11,931,845	309,824	11,622,022	1,721,443	1,721,443				_	
2048	11,622,022	309,824	11,312,198	1,683,812	1,683,812				_	
2049	11,312,198	309,824	11,002,375	1,646,181	1,646,181				_	
2050	11,002,375	309,824	10,692,551	1,608,549	1,608,549				_	
2051 2052	10,692,551 10,382,727	309,824 309,824	10,382,727 10,072,904	1,570,918 1,533,286	1,570,918				_	
2052	10,072,904	309,824	9,763,080	1,495,655	1,533,286 1,495,655				_	
2054	9,763,080	309,824	9,453,256	1,458,023	1,458,023				_	
2055	9,453,256	309,824	9,143,433	1,420,392	1,420,392					
2056	9,143,433	309,824	8,833,609	1,382,761	1,382,761					
2057	8,833,609	309,824	8,523,786	1,345,129	1,345,129					
2058	8,523,786	309,824	8,213,962	1,307,498	1,307,498					
2059	8,213,962	309,824	7,904,138	1,269,866	1,269,866					
2060	7,904,138	309,824	7,594,315	1,232,235	1,232,235					
2061	7,594,315	309,824	7,284,491	1,194,604	1,194,604					
2062	7,284,491	309,824	6,974,667	1,156,972	1,156,972	\$ -				
2063	6,974,667	309,824	6,664,844	1,119,341	1,119,341	\$ -				
2064	6,664,844	309,824	6,355,020	1,081,709	1,081,709					
2065	6,355,020	309,824	6,045,197	1,044,078	1,044,078					
2066	6,045,197	309,824	5,735,373	1,006,446	1,006,446					
2067	5,735,373	309,824	5,425,549	968,815	968,815					
2068	5,425,549	309,824	5,115,726	931,184	931,184					
2069	5,115,726	309,824	4,805,902	893,552	893,552					
2070	4,805,902	309,824	4,496,078	855,921	855,921					
2071	4,496,078	309,824	4,186,255	818,289	818,289					
2072	4,186,255	309,824	3,876,431	780,658	780,658					
2073	3,876,431	309,824	3,566,608	743,027	743,027	φ -				
Project Totals		18,434,505		111,034,289	111,034,289	-				

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

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.

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using 2013 FF1 Balances
Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
AEP OHIO TRANSMISSION COMPANY

Page 1 of 2

Formula Rate

Page 40 of 61

WS K TRUE-UP RTEP RR

. Calculate Return and Income Taxes with 0 basis point ROE increase for Projects Qualified for Regional Billing.

A. Determine 'R' with hypothetical 0 basis point increase in ROE for Identified Projects

ROE w/o incentives (True-U	Jp TCOS, In 176)		11.49%			
Project ROE Incentive Adde	r		0 <==ROE Adder Cannot Exceed 100 Basis Points			
ROE with additional 0 basis	point incentive		11.49% <== ROE Including Incentives Cannot Exceed 12.5% Until July 1, 2012			
Determine R (cost of long term debt, cost of preferred stock and equity			ty percentage is from the True-Up TCOS, Ins 159 through162)			
	<u>%</u>	<u>Cost</u>	Weighted cost			
Long Term Debt	50.00%	5.41%	2.704%			
Preferred Stock	0.00%	0.00%	0.000%			
Common Stock	50.00%	11.49%	<u>5.745%</u>			
		R -	- 8 449%			

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

Rate Base (True-Up TCOS, In 78)	342,378,893
R (fom A. above)	8.449%
Return (Rate Base x R)	28,927,553

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

Return (from B. above)	28,927,553
Effective Tax Rate (True-Up TCOS, In 124)	42.05%
Income Tax Calculation (Return x CIT)	12,165,260
ITC Adjustment	
Income Taxes	12,165,260

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

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

Annual Revenue Requirement (True-Up TCOS, In 1)	61,934,788
T.E.A. & Lease Payments (True-Up TCOS, Lns 102 & 103)	825,497
Return (True-Up TCOS, In 132)	25,185,002
Income Taxes (True-Up TCOS, In 131)	10,591,359
Annual Revenue Requirement, Less TEA	25,332,929
Charges Beturn and Tayon	

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

Annual Revenue Requirement, Less TE	A Charges, Return and Taxes	25,332,929
Return (from I.B. above)		28,927,553
Income Taxes (from I.C. above)		12,165,260
Annual Revenue Requirement, with 0 Ba	asis Point ROE increase	66,425,743
Depreciation (True-Up TCOS, In 108)		5,749,817
Annual Rev. Req, w/ 0 Basis Point ROE		60,675,926
increase, less Depreciation		

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

Net Transmission Plant (True-Up TCOS, In 48) Annual Revenue Requirement, with 0 Basis Point ROE increase FCR with 0 Basis Point increase in ROE	403,172,986 66,425,743 16.48%
Annual Rev. Req, w / 0 Basis Point ROE increase, less Dep.	60,675,926
FCR with 0 Basis Point ROE increase, less Depreciation	15.05%
FCR less Depreciation (True-Up TCOS, In 9)	13.73%
Incremental FCR with 0 Basis Point ROE	1.32%
increase less Depreciation	

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Historic Period () (P.206, In 58,(b)):	269,870,524
Transmission Plant @ End of Historic Period () (P.207, In 58,(g)):	546,738,447_
Subtotal	816,608,971
Average Transmission Plant Balance for	408,304,486
Annual Depreciation Rate (True-Up TCOS, In 108)	5,749,817
Composite Depreciation Rate	1.41%
Depreciable Life for Composite Depreciation Rate	71.01
Round to nearest whole year	71

		Rev Re	equire	W Inc	entives	Incent	tive Amounts
TRUE-UP YEAR	2013						
As Projected	d in Prior Year WS J	\$	2,893,517	\$	2,893,517	\$	-
i	Actual after True-up	\$	4,527,772	\$	4,527,772	\$	-
True-ı	up of ARR For 2013		1,634,255		1,634,255		-

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

Formula Rate WS K TRUE-UP RTEP RR Page 41 of 61

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) 2013 Rev Require W Incentives Incentive Amounts 1,093,780 1,093,780 Prior Yr Projected Project Description: RTEP ID: b0570 (LIMA-STERLING 138 KV LINE: REB) 1,379,015 1,379,015 Prior Yr True-Up 285,235 285,235 True-Up Adjustment

Details				
Investment	9,167,471	Current Year		2013
Service Year (yyyy)	2012	ROE increase accepted by FERC (Basis Points)		-
Service Month (1-12)	12	FCR w/o incentives, less depreciation		13.73%
Useful life	71	FCR w/incentives approved for these facilities, less dep.	13.73%	
CIAC (Yes or No)	No	Annual Depreciation Expense		129,098

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

Service Month (1-12)		FCR w/o incentives, les	•				13.73%		`	,	ROM EACH PRIOR Y	EAR
Useful life			oved for these facilities, I	ess dep.			13.73%			ISTORY OF TRUED-L	JP ARRS OVER THE	
CIAC (Yes or No)	No	Annual Depreciation Ex	rpense				129,098	LIFE OF THE PI	ROJECT.	DTED Drois stock		
								RTEP Projected	DTED Day Dayle	RTEP Projected	DTED Day Doub	T af
lm vo o t m o m t	Doginaina	Donnaciation	Endina	Avarage	DTED Boy Boals	DTED Dov. Dog!4	Incontino Day	Rev. Req't.From Prior Year WS J	RTEP Rev Req't	Rev. Req't.From Prior Year WS J	RTEP Rev Req't	True-up of Incentive
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	w/o Incentives	True-up w/o Incentives	with Incentives **	True-up with Incentives **	with Incentives *
2012	9,167,471	-	9,167,471	9,167,471	1,258,781	1,258,781	•	\$ 747,660	\$ 511,121		\$ 511,121	
2012	9,167,471	129,098	9,038,373	9,102,922	1,379,015	1,379,015		\$ 1,093,780			\$ 285,235	
2014	9,038,373	129,098	8,909,275	8,973,824	1,361,289	1,361,289		Ψ 1,000,700	\$ -	Ψ 1,000,100	\$ -	\$ -
2015	8,909,275	129,098	8,780,177	8,844,726	1,343,563	1,343,563			\$ -		\$ -	\$ -
2016	8,780,177	129,098	8,651,079	8,715,628	1,325,836	1,325,836			\$ -		\$ -	\$ -
2017	8,651,079	129,098	8,521,981	8,586,530	1,308,110	1,308,110			\$ -		\$ -	\$ -
2018	8,521,981	129,098	8,392,883	8,457,432	1,290,384	1,290,384			\$ -		\$ -	\$ -
2019	8,392,883	129,098	8,263,785	8,328,334	1,272,657	1,272,657			\$ -		\$ -	\$ -
2020	8,263,785	129,098	8,134,687	8,199,236	1,254,931	1,254,931	\$ -		\$ -		\$ -	\$ -
2021	8,134,687	129,098	8,005,589	8,070,138	1,237,204	1,237,204			\$ -		\$ -	\$ -
2022	8,005,589	129,098	7,876,491	7,941,040	1,219,478	1,219,478			\$ -		\$ -	\$ -
2023	7,876,491	129,098	7,747,393	7,811,942	1,201,752	1,201,752			\$ -		\$ -	\$ -
2024	7,747,393	129,098	7,618,295	7,682,844	1,184,025	1,184,025			\$ -		-	\$ -
2025	7,618,295	129,098	7,489,197	7,553,746	1,166,299	1,166,299			\$ -		-	\$ -
2026	7,489,197	129,098	7,360,099	7,424,648	1,148,573	1,148,573			\$ -		-	-
2027	7,360,099	129,098	7,231,001	7,295,550	1,130,846	1,130,846			5 -			5 -
2028	7,231,001	129,098	7,101,903	7,166,452	1,113,120	1,113,120			-		- -	5 -
2029	7,101,903	129,098	6,972,805	7,037,354	1,095,393	1,095,393			5 -		-	-
2030	6,972,805	129,098	6,843,708	6,908,257	1,077,667	1,077,667			5 -		\$ -	
2031	6,843,708	129,098	6,714,610	6,779,159	1,059,941	1,059,941			5 -		ъ - е	- -
2032 2033	6,714,610 6,585,512	129,098 129,098	6,585,512 6,456,414	6,650,061 6,520,963	1,042,214 1,024,488	1,042,214 1,024,488			Ф -		ф - Ф	ф - е
2033	6,456,414	129,098	6,327,316	6,391,865	1,006,762	1,024,488			Φ - Φ -		φ - ¢ -	φ - ¢ -
2034	6,327,316	129,098	6,198,218	6,262,767	989,035	989,035			φ - \$ _		\$ - \$ -	φ - ¢ -
2036	6,198,218	129,098	6,069,120	6,133,669	971,309	971,309			\$ -		\$ -	\$ -
2037	6,069,120	129,098	5,940,022	6,004,571	953,582	953,582			\$ -		\$ -	\$ -
2038	5,940,022	129,098	5,810,924	5,875,473	935,856	935,856			\$ -		\$ -	\$ -
2039	5,810,924	129,098	5,681,826	5,746,375	918,130	918,130			\$ -		\$ -	\$ -
2040	5,681,826	129,098	5,552,728	5,617,277	900,403	900,403			\$ -		\$ -	\$ -
2041	5,552,728	129,098	5,423,630	5,488,179	882,677	882,677	\$ -		\$ -		\$ -	\$ -
2042	5,423,630	129,098	5,294,532	5,359,081	864,951	864,951			\$ -		\$ -	\$ -
2043	5,294,532	129,098	5,165,434	5,229,983	847,224	847,224			\$ -		\$ -	\$ -
2044	5,165,434	129,098	5,036,336	5,100,885	829,498	829,498			\$ -		\$ -	\$ -
2045	5,036,336	129,098	4,907,238	4,971,787	811,771	811,771			\$ -		\$ -	\$ -
2046	4,907,238	129,098	4,778,140	4,842,689	794,045	794,045			\$ -		-	-
2047	4,778,140	129,098	4,649,042	4,713,591	776,319	776,319			\$ -		-	-
2048	4,649,042	129,098	4,519,944	4,584,493	758,592	758,592			\$ -		-	-
2049	4,519,944	129,098	4,390,846	4,455,395	740,866	740,866			5 -		\$ -	-
2050	4,390,846	129,098	4,261,748	4,326,297	723,140 705,413	723,140 705,413			5 -		ъ - е	- e
2051 2052	4,261,748	129,098 129,098	4,132,650	4,197,199	705,413 687,687	705,413			Ф -		φ <u>-</u>	Ф С
2053	4,132,650 4,003,552	129,098	4,003,552 3,874,454	4,068,101 3,939,003	669,960	687,687 669,960			\$ -		- \$ -	\$
2054	3,874,454	129,098	3,745,356	3,809,905	652,234	652,234			\$ -		\$ -	\$ -
2055	3,745,356	129,098	3,616,258	3,680,807	634,508	634,508			\$ -		\$ -	\$ -
2056	3,616,258	129,098	3,487,160	3,551,709	616,781	616,781			\$ -		-	\$ -
2057	3,487,160	129,098	3,358,062	3,422,611	599,055	599,055			\$ -		\$ -	\$ -
2058	3,358,062	129,098	3,228,964	3,293,513	581,329	581,329			\$ -		\$ -	\$ -
2059	3,228,964	129,098	3,099,866	3,164,415	563,602	563,602			\$ -		\$ -	\$ -
2060	3,099,866	129,098	2,970,768	3,035,317	545,876	545,876			\$ -		\$ -	\$ -
2061	2,970,768	129,098	2,841,670	2,906,219	528,149	528,149			\$ -		\$ -	\$ -
2062	2,841,670	129,098	2,712,572	2,777,121	510,423	510,423	\$ -		\$ -		\$ -	\$ -
2063	2,712,572	129,098	2,583,474	2,648,023	492,697	492,697			\$ -		\$ -	\$ -
2064	2,583,474	129,098	2,454,377	2,518,925	474,970	474,970			\$ -		-	\$ -
2065	2,454,377	129,098	2,325,279	2,389,828	457,244	457,244			\$ -		-	-
2066	2,325,279	129,098	2,196,181	2,260,730	439,518	439,518			\$ -		-	-
2067	2,196,181	129,098	2,067,083	2,131,632	421,791	421,791			\$ -		-	\$ -
2068	2,067,083	129,098	1,937,985	2,002,534	404,065	404,065			5 -		-	5 -
2069	1,937,985	129,098	1,808,887	1,873,436	386,338	386,338			5 -		- •	5 -
2070 2071	1,808,887	129,098	1,679,789	1,744,338	368,612	368,612			-		- •	ф •
2071	1,679,789	129,098	1,550,691	1,615,240	350,886	350,886	φ -		φ -		Ψ -	Φ -

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

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) Rev Require W Incentives Incentive Amounts Prior Yr Projected 410,711 515.847 410,711 515 847 Project Description: RTEP ID: b1231 (WAPAKONETA-WEST MOULTON 138/69KV Transformer)

Details			
Investment	3,473,922	Current Year	2013
Service Year (yyyy)	2011	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	13.73%
Useful life	71	FCR w/incentives approved for these facilities, less dep.	13.73%
CIAC (Yes or No)	No	Annual Depreciation Expense	48,920

Prior Yr True-Up	515,847	515,847	-				
True-Up Adjustment	105,136	105,136	-				
-							
TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:							

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

Useful life			oved for these facilities, le	ess dep.			13.73%	TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER T LIFE OF THE PROJECT.			IP ARRS OVER THE	E		
CIAC (Yes or No)	NO ■	Annual Depreciation Ex	xpense				48,920		ROJECT.	DTED Projected				
								RTEP Projected Rev. Reg't.From	RTEP Rev Req't	RTEP Projected Rev. Req't.From	RTEP Rev Req't	True-up of		
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Reg't.	RTEP Rev. Reg't.	Incentive Rev.	Prior Year WS J	True-up	Prior Year WS J	True-up	Incentive		
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **		
2011	3,473,922	-	3,473,922	3,473,922	477,002	477,002			\$ -		\$ -	\$ -		
2012	3,473,922	48,920	3,425,002	3,449,462	522,564	522,564		\$ 386,386	\$ 136,178	\$ 386,386	\$ 136,178	\$ -		
2013	3,425,002	48,920	3,376,081	3,400,541	515,847	515,847	\$ -	\$ 410,711	\$ 105,136	\$ 410,711	\$ 105,136	\$ -		
2014	3,376,081	48,920	3,327,161	3,351,621	509,130	509,130	\$ -		\$ -		\$ -	\$ -		
2015	3,327,161	48,920	3,278,240	3,302,701	502,413	502,413			\$ -		\$ -	\$ -		
2016	3,278,240	48,920	3,229,320	3,253,780	495,695	495,695			\$ -		\$ -	\$ -		
2017	3,229,320	48,920	3,180,400	3,204,860	488,978	488,978	\$ -		-		\$ -	\$ -		
2018	3,180,400	48,920	3,131,479	3,155,939	482,261	482,261	\$ -		-		\$ -	\$ -		
2019	3,131,479	48,920	3,082,559	3,107,019	475,544	475,544	\$ -		-		\$ -	\$ -		
2020	3,082,559	48,920	3,033,638	3,058,099	468,826	468,826	\$ -		5 -		5 -	5 -		
2021	3,033,638	48,920	2,984,718	3,009,178	462,109	462,109			\$ -		5 -	5 -		
2022 2023	2,984,718 2,935,798	48,920 48,920	2,935,798 2,886,877	2,960,258 2,911,337	455,392 448,675	455,392 448,675			ф - Ф		ф - e	ф С		
2024	2,886,877	48,920	2,837,957	2,862,417	441,957	441,957			φ <u>-</u>		Ф С	ф С		
2025	2,837,957	48,920	2,789,037	2,813,497	435,240	435,240			\$ - \$ -		ф - \$ -	\$ -		
2026	2,789,037	48,920	2,740,116	2,764,576	428,523	428,523			\$ -		\$ -	\$ -		
2027	2,740,116	48,920	2,691,196	2,715,656	421,806	421,806			\$ -		\$ -	\$ -		
2028	2,691,196	48,920	2,642,275	2,666,736	415,088	415,088	\$ -		\$ -		\$ -	\$ -		
2029	2,642,275	48,920	2,593,355	2,617,815	408,371	408,371	\$ -		\$ -		\$ -	\$ -		
2030	2,593,355	48,920	2,544,435	2,568,895	401,654	401,654			\$ -		\$ -	\$ -		
2031	2,544,435	48,920	2,495,514	2,519,974	394,937	394,937			\$ -		\$ -	\$ -		
2032	2,495,514	48,920	2,446,594	2,471,054	388,220	388,220			\$ -		\$ -	\$ -		
2033	2,446,594	48,920	2,397,673	2,422,134	381,502	381,502			\$ -		\$ -	\$ -		
2034	2,397,673	48,920	2,348,753	2,373,213	374,785	374,785			\$ -		\$ -	\$ -		
2035	2,348,753	48,920	2,299,833	2,324,293	368,068	368,068			\$ -		\$ -	\$ -		
2036	2,299,833	48,920	2,250,912	2,275,372	361,351	361,351	\$ -		\$ -		\$ -	\$ -		
2037	2,250,912	48,920	2,201,992	2,226,452	354,633	354,633	\$ -		\$ -		\$ -	\$ -		
2038	2,201,992	48,920	2,153,071	2,177,532	347,916	347,916			\$ -		\$ -	\$ -		
2039	2,153,071	48,920	2,104,151	2,128,611	341,199	341,199			\$ -		\$ -	\$ -		
2040	2,104,151	48,920	2,055,231	2,079,691	334,482	334,482	-		\$ -		\$ -	\$ -		
2041	2,055,231	48,920	2,006,310	2,030,770	327,764	327,764			-		\$ -	\$ -		
2042	2,006,310	48,920	1,957,390	1,981,850	321,047	321,047			-		\$ -	\$ -		
2043	1,957,390	48,920	1,908,469	1,932,930	314,330	314,330			-		\$ -	\$ -		
2044	1,908,469	48,920	1,859,549	1,884,009	307,613	307,613	\$ -		5 -		5 -	5 -		
2045	1,859,549	48,920	1,810,629	1,835,089	300,895	300,895	\$ -		\$ -		5 -	5 -		
2046 2047	1,810,629 1,761,708	48,920	1,761,708	1,786,168	294,178	294,178			ф - Ф		ф - ¢	ф •		
2047	1,712,788	48,920 48,920	1,712,788 1,663,867	1,737,248 1,688,328	287,461 280,744	287,461 280,744			φ - ¢ -		ф <u>-</u>	ф - ¢ -		
2049	1,663,867	48,920	1,614,947	1,639,407	274,027	274,027			\$ -		\$ -	\$ -		
2050	1,614,947	48,920	1,566,027	1,590,487	267,309	267,309			\$ -		\$ -	\$ -		
2051	1,566,027	48,920	1,517,106	1,541,566	260,592	260,592			\$ -		\$ -	\$ -		
2052	1,517,106	48,920	1,468,186	1,492,646	253,875	253,875			\$ -		\$ -	\$ -		
2053	1,468,186	48,920	1,419,266	1,443,726	247,158	247,158			\$ -		\$ -	\$ -		
2054	1,419,266	48,920	1,370,345	1,394,805	240,440	240,440			\$ -		\$ -	\$ -		
2055	1,370,345	48,920	1,321,425	1,345,885	233,723	233,723			\$ -		\$ -	\$ -		
2056	1,321,425	48,920	1,272,504	1,296,965	227,006	227,006	\$ -		\$ -		\$ -	\$ -		
2057	1,272,504	48,920	1,223,584	1,248,044	220,289	220,289			\$ -		\$ -	\$ -		
2058	1,223,584	48,920	1,174,664	1,199,124	213,571	213,571			\$ -		\$ -	\$ -		
2059	1,174,664	48,920	1,125,743	1,150,203	206,854	206,854			\$ -		\$ -	\$ -		
2060	1,125,743	48,920	1,076,823	1,101,283	200,137	200,137			-		\$ -	\$ -		
2061	1,076,823	48,920	1,027,902	1,052,363	193,420	193,420			-		\$ -	\$ -		
2062	1,027,902	48,920	978,982	1,003,442	186,703	186,703			5 -		5 -	5 -		
2063	978,982	48,920	930,062	954,522	179,985	179,985	\$ - ¢		- -		5 -	5 -		
2064	930,062	48,920	881,141	905,601	173,268	173,268	Т		Т		ф -	ф -		
2065	881,141	48,920	832,221	856,681 807,761	166,551	166,551	ф -		-		ф - ¢	ф с		
2066	832,221	48,920	783,300 734,390	807,761	159,834 153,116	159,834 153,116	φ - ¢		φ - Φ		φ - ¢	φ -		
2067 2068	783,300 734,380	48,920 48,920	734,380 685,460	758,840 709,920	153,116 146,399	153,116 146,399			φ -		φ - ¢	φ -		
2069	685,460	48,920	636,539	660,999	139,682	139,682			- \$ -		φ - \$ -	φ - \$		
2070	636,539	48,920	587,619	612,079	132,965	132,965			\$ -		\$ -	\$ -		
Project Totals	555,555	2,886,303	307,010	0.2,010	19,815,104	19,815,104	-		*		Ψ	¥		
Ojoot i otalo		2,000,000			10,010,104	10,010,104								

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description: RTEP ID: b1034.1 (South Canton - West Canton 138kV line and Wagenhals - Wayview 138kV

2013	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	443,007	443,007	-
Prior Yr True-Up	657,720	657,720	-
True-Up Adjustment	214,713	214,713	-

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:

INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE

Details			
Investment	4,752,226	Current Year	2013
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	11	FCR w/o incentives, less depreciation	13.73%
Useful life	71	FCR w/incentives approved for these facilities, less dep.	13.73%
CIAC (Yes or No)	No	Annual Depreciation Expense	66,922

Track	Useful life CIAC (Yes or No)		FCR w/incentives appr Annual Depreciation E	oved for these facilities, I	ess dep.			13.73% 66,922	LIFE OF THE F		HISTORY OF TRUED-L	JP ARRS OVER THE	
Page	CIAC (165 01 NO)	INO	Annual Depreciation L	хрепзе				00,922		NOJECT.	RTEP Projected		
Baselines Baselines Cycles Cycl									-	RTEP Rev Rea't	_	RTEP Rev Rea't	True-up of
Part Submet Sub	Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Reg't.	RTEP Rev. Reg't.	Incentive Rev.		-	-	•	-
2014				•	_	-	-			-			
2014	2013	4,752,226		4,746,649	4,749,438	657,720	657,720	\$ -	\$ 443,007			\$ 214,713	
2016			The state of the s							\$ -		\$ -	\$ -
0017	2015	4,679,727	66,922	4,612,806	4,646,267	704,898	704,898	\$ -		\$ -		\$ -	\$ -
2216	2016	4,612,806	66,922	4,545,884	4,579,345	695,709	695,709	\$ -		\$ -		\$ -	\$ -
2019	2017	4,545,884	66,922	4,478,962	4,512,423	686,520	686,520	\$ -		\$ -		\$ -	\$ -
2020 4.36.116 0.0.22 4.27.197 4.31.556 68.663 86.653 5 5 5 5 5 5 7 7 7 7 7 7 7 7 7 7 7 7 7	2018	4,478,962	66,922	4,412,041	4,445,502	677,331	677,331	\$ -		\$ -		\$ -	\$ -
2021		4,412,041	The state of the s	4,345,119	4,378,580	668,142				\$ -		\$ -	\$ -
2022 4.21 276 6.9022 4.44 4,584 4.77 7815 604.775 5 5 5 5 5 5 5 5 5 5 7 5 7 5 7 7 7 7		4,345,119								\$ -		\$ -	\$ -
2023			The state of the s							\$ -		\$ -	\$ -
2024 4,777-322 6,00-22 3-44.00-01 4,00-571 622,07 82.217 8 -			The state of the s							\$ -		\$ -	\$ -
20029 APUGS APUGS S. S. S. S. S. S. S.			The state of the s							\$ -		\$ -	\$ -
2026										\$ -		\$ -	\$ -
2027 3,076,067 66,022 3,050,746 66,022 3,740,265 3,740,265 855,414 555,414 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5			The second secon							-		-	\$ -
2026 3,000,746 0,000 3,746,248								\$ -		-		\$ -	-
2009 3,742,824 (6.937) 3,507,900 3,5			The state of the s					\$ -		-		-	-
2030 3,875 902 68,922 3,089,960 3,942,441 567,063 57,063 5 5 5 5 5 5 2 2030 3,076,080 0,002 3,424,096 3,755,19 55,745 4 5 5 5 5 5 5 5 2 2030 3,076,080 0,002 3,424,096 3,476,135 5 6,482,086 5 4,486,086 5 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5			The state of the s							-		-	-
2031 3,000,000 66,002 3,474,5737 3,500,000 60,000 50,7874 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5										-		-	-
2032 3.542.059			The state of the s							-		-	\$ -
2033 3,476,137			The state of the s							-		-	-
2034 3.408,215 60.922 3.341,294 0.3274,727 3.078,203 521,110 530,007 530,007 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5			The second secon							-		-	\$ -
2036										-		-	\$ -
2036			The state of the s							-		-	\$ -
2037 3,207,450 66,922 3,140,269 31,73,899 502,741 502,741 5 - 5 5 - 5 5 - 5 5 - 2 5 - 2 5 5 -										-		-	\$ -
2038			The state of the s							-		-	-
2039 3 3073.007 65.922 30,006.865 3.4040.146 494.303 444.303 \$										-		-	5 -
2040			The state of the s					\$ -		-		-	5 -
2041								\$ -		5 -		- -	\$ -
2042			The state of the s					\$ -		5 -		5	\$ -
2043			The state of the s					\$ -		\$ -		- -	\$ -
2044 2,738,998 66,922 2,672,077 2,705,537 439,418 439,418 \$ -			, and a second s	, ,						φ -		- С	Φ -
2046												ъ С	ф -
2046										φ ¢		Φ -	φ - ¢
2047										G -		φ - • -	\$ - \$ -
2048								φ - ¢ -		¢ -		Φ -	¢ -
2049								\$ -		\$ -		\$ _	\$ -
2050										\$ -		\$ -	\$ -
2051								\$ -		\$ -		\$ -	\$ -
2052								\$ -		\$ -		\$ -	\$ -
2053								\$ -		\$ -		\$ -	\$ -
2054 2,068,781 66,922 2,002,860 2,033,80 346,528 346,528 \$ - <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>\$ -</td><td></td><td>\$ -</td><td></td><td>\$ -</td><td>\$ -</td></td<>								\$ -		\$ -		\$ -	\$ -
2055 2,002,860 66,922 1,935,938 1,969,399 337,339 337,339 337,339 \$ - <										-		\$ -	\$ -
2056 1,935,938 66,922 1,869,016 1,902,047 328,150 328,150 328,150 3 - \$ -										-		\$ -	\$ -
2057										\$ -		\$ -	\$ -
2058										\$ -		\$ -	\$ -
2059 1,735,173 66,922 1,668,251 1,613,29 1,634,790 291,394 291,394 291,394 5 - \$										\$ -		\$ -	\$ -
2060 1,668,251 66,922 1,601,329 66,922 1,534,408 1,567,868 282,205 282,205 \$ - \$ </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>\$ -</td> <td></td> <td>\$ -</td> <td>\$ -</td>										\$ -		\$ -	\$ -
2061 1,601,329 66,922 1,534,408 1,567,868 282,205 282,205 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ <										\$ -		\$ -	\$ -
2062 1,534,408 66,922 1,467,486 1,500,947 273,016 273,016 \$ - </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>\$ -</td> <td></td> <td>\$ -</td> <td>\$ -</td>										\$ -		\$ -	\$ -
2063 1,467,486 66,922 1,400,564 1,434,025 263,827 263,827 \$ -										-		\$ -	\$ -
2064 1,400,564 66,922 1,333,643 1,367,103 254,638 254,638 \$ -										-		\$ -	\$ -
2065 1,333,643 66,922 1,266,721 1,300,182 245,449 245,449 \$ -										\$ -		\$ -	\$ -
2066 1,266,721 66,922 1,199,799 1,233,260 236,260 236,260 \$ -										\$ -		\$ -	\$ -
2067 1,199,799 66,922 1,132,877 1,166,338 227,071 227,071 \$ -	2066	1,266,721	66,922				236,260	\$ -		\$ -		\$ -	\$ -
2068 1,132,877 66,922 1,065,956 1,099,417 217,882 217,882 5 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>\$ -</td><td></td><td>-</td><td></td><td>\$ -</td><td>\$ -</td></td<>								\$ -		-		\$ -	\$ -
2070 999,034 66,922 932,112 965,573 199,504 199,504 \$ - <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>\$ -</td><td></td><td>-</td><td></td><td>\$ -</td><td>\$ -</td></td<>								\$ -		-		\$ -	\$ -
2071 932,112 66,922 865,191 898,652 190,315 190,315 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - - \$ - - \$ - - \$ - - \$ - - - \$ -								\$ -		\$ -		\$ -	\$ -
2072 865,191 66,922 798,269 831,730 181,126 181,126 \$ - \$ - \$ -								\$ -		-		-	\$ -
										-		-	-
		865,191		798,269	831,730			\$ -		\$ -		\$ -	\$ -

27,066,510

27,066,510

Project Totals

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.

3,953,957

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

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

A. Base Plan Facilities

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

Project Description:

RTEP ID: b1034.8 (138kV Circuit Breakers at the West Canton, South Canton, Canton Central, and Wagenhals stations)

 2013
 Rev Require
 W Incentives
 Incentive Amounts

 Prior Yr Projected
 244,284
 244,284

 Prior Yr True-Up
 615,581
 615,581

 True-Up Adjustment
 371,297
 371,297

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE

CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:

LIFE OF THE PROJECT.

Details				
nvestment	4,483,167	Current Year		2013
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-	
Service Month (1-12)	12	FCR w/o incentives, less depreciation		13.73%
Jseful life	71	FCR w/incentives approved for these facilities, less dep.	13.73%	
CIAC (Yes or No)	No	Annual Depreciation Expense		63,133

0.7.10 (1.00 0.1110)		·	Дропоо				00,100	RTEP Projected		RTEP Projected		
									DTED Day Boals	•	DTED Dov Dog!	True up of
								Rev. Req't.From	RTEP Rev Req't	Rev. Req't.From	RTEP Rev Req't	True-up of
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Prior Year WS J	True-up	Prior Year WS J	True-up	Incentive
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **
2013	4,483,167		4,483,167	4,483,167	615,581	615,581	\$ -	\$ 244,284	\$ 371,297	\$ 244,284	\$ 371,297	\$ -
2014	4,483,167	63,133	4,420,034	4,451,601	674,380	674,380			\$ -		\$ -	\$ -
2015	4,420,034	63,133		4,388,468	665,711	665,711			•		¢ _	¢ _
									- -		-	φ •
2016	4,356,901	63,133		4,325,335	657,042	657,042	-		-		-	5 -
2017	4,293,769	63,133	4,230,636	4,262,202	648,374	648,374	\$ -		-		\$ -	\$ -
2018	4,230,636	63,133	4,167,503	4,199,070	639,705	639,705	\$ -		\$ -		\$ -	\$ -
2019	4,167,503	63,133		4,135,937	631,036	631,036			\$ -		\$ -	\$ -
	4,104,370	-			622,367	622,367			¢		¢	¢
2020		63,133		4,072,804					- -		-	-
2021	4,041,238	63,133		4,009,671	613,699	613,699	\$ -		\$ -		\$ -	\$ -
2022	3,978,105	63,133	3,914,972	3,946,539	605,030	605,030	\$ -		\$ -		\$ -	\$ -
2023	3,914,972	63,133	3,851,839	3,883,406	596,361	596,361	\$ -		\$ -		\$ -	\$ -
2024	3,851,839	63,133	3,788,707	3,820,273	587,692	587,692	\$ -		\$ -		\$ -	\$ -
2025	3,788,707	63,133		3,757,140		579,024			¢		¢	¢
					579,024				- -		-	Ъ
2026	3,725,574	63,133		3,694,007	570,355	570,355			-		\$ -	\$ -
2027	3,662,441	63,133	3,599,308	3,630,875	561,686	561,686	\$ -		\$ -		\$ -	\$ -
2028	3,599,308	63,133		3,567,742	553,018	553,018			\$ -		\$ -	\$ -
2029	3,536,176	63,133		3,504,609	544,349	544,349	\$ - I		\$ -		\$ -	\$ -
							· ·		¢		¢	¢
2030	3,473,043	63,133		3,441,476	535,680	535,680	φ -		φ •		φ -	φ -
2031	3,409,910	63,133		3,378,344	527,011	527,011			\$ -		\$ -	\$ -
2032	3,346,777	63,133	3,283,645	3,315,211	518,343	518,343	\$ -		-		\$ -	\$ -
2033	3,283,645	63,133	3,220,512	3,252,078	509,674	509,674	\$ -		\$ -		\$ -	\$ -
2034	3,220,512	63,133	3,157,379	3,188,945	501,005	501,005	\$ -		\$ -		¢ -	\$ -
							φ -		ф ф		÷	φ ¢
2035	3,157,379	63,133	3,094,246	3,125,813	492,336	492,336	-		5		-	5 -
2036	3,094,246	63,133	3,031,113	3,062,680	483,668	483,668	\$ -		\$ -		\$ -	\$ -
2037	3,031,113	63,133	2,967,981	2,999,547	474,999	474,999	\$ -		\$ -		\$ -	\$ -
2038	2,967,981	63,133	2,904,848	2,936,414	466,330	466,330	\$ -		\$ -		\$ -	\$ -
2039	2,904,848	63,133		2,873,282	457,662	457,662	¢ _		•		¢ _	¢ _
									- -		-	9
2040	2,841,715	63,133		2,810,149	448,993	448,993	5 -		-		\$ -	\$ -
2041	2,778,582	63,133	2,715,450	2,747,016	440,324	440,324	\$ -		\$ -		\$ -	\$ -
2042	2,715,450	63,133	2,652,317	2,683,883	431,655	431,655	\$ -		\$ -		\$ -	\$ -
2043	2,652,317	63,133		2,620,751	422,987	422,987			\$ -		\$ -	\$ -
									e		¢	¢
2044	2,589,184	63,133		2,557,618	414,318	414,318			- -		-	ф -
2045	2,526,051	63,133		2,494,485	405,649	405,649			\$ -		\$ -	\$ -
2046	2,462,919	63,133	2,399,786	2,431,352	396,980	396,980	\$ -		\$ -		\$ -	\$ -
2047	2,399,786	63,133	2,336,653	2,368,219	388,312	388,312			\$ -		\$ -	\$ -
2048	2,336,653	63,133		2,305,087	379,643	379,643			\$ -		¢ _	¢ -
									φ -		Φ	Φ -
2049	2,273,520	63,133		2,241,954	370,974	370,974			-		5 -	5 -
2050	2,210,388	63,133		2,178,821	362,306	362,306			\$ -		\$ -	\$ -
2051	2,147,255	63,133	2,084,122	2,115,688	353,637	353,637	\$ -		\$ -		\$ -	\$ -
2052	2,084,122	63,133	2,020,989	2,052,556	344,968	344,968	\$ -		\$ -		\$ -	\$ -
2053	2,020,989	63,133		1,989,423	336,299	336,299	\$		\$ -		\$ -	\$ -
									¢		¢	¢
2054	1,957,857	63,133		1,926,290	327,631	327,631			φ -		φ -	φ -
2055	1,894,724	63,133		1,863,157	318,962	318,962			\$ -		\$ -	\$ -
2056	1,831,591	63,133	1,768,458	1,800,025	310,293	310,293	\$ -		\$ -		-	\$ -
2057	1,768,458	63,133		1,736,892	301,624	301,624	\$ -		\$ -		\$ -	\$ -
2058	1,705,325	63,133		1,673,759	292,956	292,956	\$ - I		\$ -		\$ -	\$ -
							· ·		¢		¢	¢ -
2059	1,642,193	63,133		1,610,626	284,287	284,287			Φ -		φ -	φ -
2060	1,579,060	63,133		1,547,494	275,618	275,618			5 -		5 -	5 -
2061	1,515,927	63,133	1,452,794	1,484,361	266,950	266,950	\$ -		\$ -		\$ -	\$ -
2062	1,452,794	63,133		1,421,228	258,281	258,281	\$ -		\$ -		\$ -	\$ -
2063	1,389,662	63,133		1,358,095	249,612	249,612	· \$		\$ -		\$ -	\$ -
									ф ф		ф Ф	ψ ¢
2064	1,326,529	63,133		1,294,963	240,943	240,943			ф -		Ф -	φ -
2065	1,263,396	63,133		1,231,830	232,275	232,275			\$ -		\$ -	\$ -
2066	1,200,263	63,133	1,137,131	1,168,697	223,606	223,606	\$ -		\$ -		\$ -	\$ -
2067	1,137,131	63,133		1,105,564	214,937	214,937			\$ -		\$ -	\$ -
2068	1,073,998	63,133		1,042,431	206,268	206,268	¢		¢		\$	\$
							Ψ -		ψ ¢		φ <u>-</u>	ψ - ¢
2069	1,010,865	63,133		979,299	197,600	197,600			5 -		-	-
2070	947,732	63,133		916,166	188,931	188,931			\$ -		\$ -	\$ -
2071	884,600	63,133	821,467	853,033	180,262	180,262	\$ -		\$ -		\$ -	\$ -
2072	821,467	63,133		789,900	171,594	171,594			\$ -		\$ -	\$ -
Project Totals	021, 1 07	2 724 922	7 00,004	700,000	25 571 704	25 571 704	Ψ		*		Ψ	Ψ

25,571,794

25,571,794

Project Totals

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.

3,724,833

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

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

1,053,967 Current Year

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000) 2013 Rev Require W Incentives Incentive Amounts Prior Yr Projected 124,755 124,755 Project Description: RTEP ID: b1864.2 (West Bellaire-Brues 138 kV Circuit) Prior Yr True-Up 147,024 147,024 True-Up Adjustment 22,269 22,269

2013

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

IIIVOStillolit	1,000,007	Odifont Todi					20.0					
Service Year (yyyy)	2013	ROF increase accente	ed by FERC (Basis Points	e)			_	CUMULATIVE HISTO	ORY OF TRUED-LIP	ANNUAL REVENUE RE	OUREMENTS:	
		-		3)			40.700/					- A D
Service Month (1-12)		FCR w/o incentives, le	•				13.73%			HOUT INCENTIVES) F		≟AR
Useful life	71	FCR w/incentives appr	roved for these facilities, I	less dep.			13.73%	TEMPLATE BE	LOW TO MAINTAIN	HISTORY OF TRUED-L	JP ARRS OVER THE	
CIAC (Yes or No)		Annual Depreciation E					14,842	LIFE OF THE P				
CIAC (Tes of No)	INO	Affilial Depreciation E	xperise				14,642		ROJECT.			
								RTEP Projected		RTEP Projected		
								Rev. Req't.From	RTEP Rev Reg't	Rev. Req't.From	RTEP Rev Req't	True-up of
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Reg't.	RTEP Rev. Reg't.	Incentive Rev.	Prior Year WS J	True-up	Prior Year WS J	True-up	Incentive
		•	_	Average	-	-					-	
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **
2013	1,053,967	2,474	1,051,493	1,052,730	147,024	147,024	\$ -	\$ 124,755	\$ 22,269	\$ 124,755	\$ 22,269	\$ -
					-		\$	Ψ 124,700	Φ 22,200	Ψ 12-1,7 00	Φ 22,200	\$
2014	1,051,493	14,842	1,036,651	1,044,072	158,203	158,203	ъ -		5 -		5 -	a -
2015	1,036,651	14,842	1,021,809	1,029,230	156,165	156,165	\$ -		-		\$ -	\$ -
2016	1,021,809	14,842	1,006,967	1,014,388	154,127	154,127	\$ -		\$ -		\$ -	.
		-			-		¢		¢		¢	¢
2017	1,006,967	14,842	992,125	999,546	152,089	152,089	-		-		-	-
2018	992,125	14,842	977,283	984,704	150,051	150,051	\$ -		-		\$ -	\$ -
2019	977,283	14,842	962,440	969,861	148,013	148,013	\$ -		\$ -		\$ -	\$ -
2020	962,440	14,842	947,598	955,019	145,975	145,975			¢		¢	¢
							Φ -		-		-	φ -
2021	947,598	14,842	932,756	940,177	143,937	143,937	\$ -		\$ -		\$ -	\$ -
2022	932,756	14,842	917,914	925,335	141,899	141,899	\$ -		\$ -		\$ -	\$ -
2023	917,914	14,842	903,072	910,493	139,861	139,861	\$ -		\$ -		\$ -	\$ -
							¢		¢		¢	Φ
2024	903,072	14,842	888,230	895,651	137,823	137,823	5		5 -		5 -	ъ -
2025	888,230	14,842	873,387	880,809	135,786	135,786	\$ -		-		\$ -	\$ -
2026	873,387	14,842	858,545	865,966	133,748	133,748	\$ -		\$ -		\$ -	\$ -
2027	858,545	14,842	843,703	851,124	131,710	131,710	¢		¢		¢	¢
							φ -		Ф		-	φ -
2028	843,703	14,842	828,861	836,282	129,672	129,672	\$ -		\$ -		\$ -	\$ -
2029	828,861	14,842	814,019	821,440	127,634	127,634	\$ -		\$ -		\$ -	\$ -
2030	814,019	14,842	799,177	806,598	125,596	125,596	\$ -		\$ -		\$ -	\$ -
2031	799,177	14,842			123,558		¢		c		¢	¢
	· ·		784,335	791,756	-	123,558			-		-	Ф -
2032	784,335	14,842	769,492	776,913	121,520	121,520	\$ -		\$ -		\$ -	\$ -
2033	769,492	14,842	754,650	762,071	119,482	119,482	\$ -		\$ -		\$ -	\$ -
2034	754,650	14,842	739,808	747,229	117,444	117,444	\$ -		\$ -		\$ -	\$ -
					•	*	φ ¢		Φ		ф ¢	Ψ
2035	739,808	14,842	724,966	732,387	115,406	115,406			-		-	Ф -
2036	724,966	14,842	710,124	717,545	113,368	113,368			\$ -		\$ -	\$ -
2037	710,124	14,842	695,282	702,703	111,330	111,330	\$ -		\$ -		\$ -	\$ -
2038	695,282	14,842	680,439	687,861	109,292	109,292			\$ -		¢ -	\$ -
									Φ		Φ	Φ -
2039	680,439	14,842	665,597	673,018	107,254	107,254			5		-	5 -
2040	665,597	14,842	650,755	658,176	105,216	105,216	\$ -		-		\$ -	\$ -
2041	650,755	14,842	635,913	643,334	103,178				\$ -		\$ -	\$ -
2042	635,913	14,842	621,071	628,492	101,140	101,140			\$ -		\$ -	\$ -
									φ		Φ	Ψ -
2043	621,071	14,842	606,229	613,650	99,102	99,102			5		\$ -	\$ -
2044	606,229	14,842	591,387	598,808	97,064	97,064	\$ -		\$ -		\$ -	\$ -
2045	591,387	14,842	576,544	583,966	95,026	95,026	\$ -		\$ -		\$ -	\$ -
2046	576,544	14,842	561,702	569,123	92,988	92,988			¢		¢ _	¢
		-							φ •		φ •	φ -
2047	561,702	14,842	546,860	554,281	90,950	90,950			\$ -		\$ -	\$ -
2048	546,860	14,842	532,018	539,439	88,912	88,912	\$ -		\$ -		\$ -	\$ -
2049	532,018	14,842	517,176	524,597	86,874	86,874	\$ -		\$ -		\$ -	\$ -
2050		-		509,755	84,836				¢		¢	¢
	517,176	14,842	502,334			84,836			Ψ -		- Φ	Ψ -
2051	502,334	14,842	487,492	494,913	82,798	82,798			-		-	-
2052	487,492	14,842	472,649	480,070	80,760	80,760	\$ -		\$ -		\$ -	\$ -
2053	472,649	14,842	457,807	465,228	78,722	78,722			\$ -		\$ -	\$ -
2054	457,807	14,842	442,965	450,386	76,684	76,684			\$		\$ -	\$ _
		-							Ψ -		φ -	Ψ -
2055	442,965	14,842	428,123	435,544	74,646	74,646			-		-	-
2056	428,123	14,842	413,281	420,702	72,609	72,609	\$ -		\$ -		\$ -	\$ -
2057	413,281	14,842	398,439	405,860	70,571	70,571			\$ -		\$ -	\$ -
2058	398,439	14,842	383,596	391,018	68,533	68,533			¢		¢	¢
									ψ •		· ·	Ψ -
2059	383,596	14,842	368,754	376,175	66,495	66,495			5 -		5 -	> -
2060	368,754	14,842	353,912	361,333	64,457	64,457	\$ -		\$ -		\$ -	\$ -
2061	353,912	14,842	339,070	346,491	62,419	62,419			\$ -		\$ -	\$ -
2062	339,070	14,842	324,228	331,649	60,381	60,381			¢		\$	*
									φ •		ψ •	Ψ -
2063	324,228	14,842	309,386	316,807	58,343	58,343			5 -		\$ -	\$ -
2064	309,386	14,842	294,544	301,965	56,305	56,305	\$ -		\$ -		\$ -	\$ -
2065	294,544	14,842	279,701	287,122	54,267	54,267			\$ -		\$ -	\$ -
2066	279,701	14,842	264,859	272,280	52,229	52,229			¢		\$ 	\$
									φ •		ψ •	Ψ -
2067	264,859	14,842	250,017	257,438	50,191	50,191			-		-	-
2068	250,017	14,842	235,175	242,596	48,153	48,153	\$ -		\$ -		\$ -	\$ -
2069	235,175	14,842	220,333	227,754	46,115				\$ -		\$ -	\$ -
2070	220,333	14.842	205.491	212,912	44.077				¢		¢	¢ _
	- ~~U.JJJ	- 14.042	としい.サン !	Z 1 Z . 3 1 Z				_				-

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

220,333

205,491

190,648

2070

2071

2072

Project Totals

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.

14,842

14,842

14,842

878,161

205,491

190,648

175,806

212,912

198,070

183,227

44,077

42,039

40,001

5,994,047

44,077 \$

42,039 \$

40,001 \$

5,994,047

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) 2013 W Incentives Incentive Amounts Rev Require Prior Yr Projected 576,980 576,980 **Project Description:** Prior Yr True-Up 924,310 924,310 RTEP ID: b1870 (Replace Ohio Central transformer #1 345/138/12 kV 450 MVA for a 345/138/34.5 kV 675 MVA transformer) True-Up Adjustment 347,330 347,330

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR

CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:

Details			
Investment	6,731,582	Current Year	2013
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	13.73%
Useful life	71	FCR w/incentives approved for these facilities, less dep.	13.73%
CIAC (Yes or No)	No	Annual Depreciation Expense	94,795

Service Month (1-12)		FCR w/o incentives, les					13.73%		•		ROM EACH PRIOR Y	=AR
Useful life CIAC (Yes or No)		Annual Depreciation Ex	oved for these facilities, le	ess aep.			13.73% 94,795	LIFE OF THE P		IISTORY OF TRUED-L	JP ARRS OVER THE	
CIAC (Tes of No)	INO	Annual Depreciation Ex	kpense		Ι	1	94,795	RTEP Projected	ROJECT.	RTEP Projected	I	
								Rev. Reg't.From	RTEP Rev Req't	-	RTEP Rev Reg't	True-up of
Invoctment	Paginning	Donrociation	Ending	Averege	RTEP Rev. Reg't.	RTEP Rev. Req't.	Incontino Boy	•	•	Rev. Req't.From Prior Year WS J	•	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	w/o Incentives	with Incentives **	Incentive Rev. Requirement ##	Prior Year WS J w/o Incentives	True-up w/o Incentives	with Incentives **	True-up with Incentives **	Incentive with Incentives **
2013	6,731,582	Expense	6,731,582	6,731,582	924,310	924,310	•	\$ 576,980	\$ 347,330	\$ 576,980	\$ 347,330	
2014	6,731,582	94,795	6,636,787	6,684,184	1,012,597	1,012,597		\$ 570,960	φ 347,330 ¢ -	Φ 570,960	\$ 347,330 \$ -	φ - ¢ -
2015	6,636,787	94,795	6,541,991	6,589,389	999,581	999,581	\$ \$		φ - ¢ -		Q -	φ - ¢ -
2016	6,541,991	94,795	6,447,196	6,494,594	986,565	986,565	\$ -		\$ -		\$ \$	\$ -
2017	6,447,196	94,795	6,352,401	6,399,798	973,548	973,548	\$ \$		φ - ¢ -		Q -	φ - ¢ -
2018	6,352,401	94,795	6,257,605	6,305,003	960,532	960,532	\$ -		\$ -		\$ -	φ \$
2019	6,257,605	94,795	6,162,810	6,210,208	947,516	947,516	\$ -		\$ -		\$ -	\$ -
2020	6,162,810	94,795	6,068,015	6,115,412	934,499	934,499			\$ -		\$ -	\$ -
2021	6,068,015	94,795	5,973,219	6,020,617	921,483	921,483			\$ -		\$ -	\$ -
2022	5,973,219	94,795	5,878,424	5,925,822	908,467	908,467			\$ -		\$ -	\$ -
2023	5,878,424	94,795	5,783,629	5,831,026	895,451	895,451	\$ -		\$ -		\$ -	\$ -
2024	5,783,629	94,795	5,688,833	5,736,231	882,434	882,434	\$ -		\$ -		\$ -	\$ -
2025	5,688,833	94,795	5,594,038	5,641,436	869,418	869,418	\$ -		\$ -		\$ -	\$ -
2026	5,594,038	94,795	5,499,243	5,546,640	856,402	856,402			\$ -		\$ -	\$ -
2027	5,499,243	94,795	5,404,447	5,451,845	843,385	843,385			\$ -		\$ -	\$ -
2028	5,404,447	94,795	5,309,652	5,357,049	830,369	830,369	\$ -		\$ -		\$ -	\$ -
2029	5,309,652	94,795	5,214,856	5,262,254	817,353	817,353	\$ -		\$ -		\$ -	\$ -
2030	5,214,856	94,795	5,120,061	5,167,459	804,336	804,336			\$ -		\$ -	\$ -
2031	5,120,061	94,795	5,025,266	5,072,663	791,320	791,320	\$ -		\$ -		\$ -	\$ -
2032	5,025,266	94,795	4,930,470	4,977,868	778,304	778,304	\$ -		\$ -		\$ -	\$ -
2033	4,930,470	94,795	4,835,675	4,883,073	765,288	765,288	\$ -		\$ -		\$ -	\$ -
2034	4,835,675	94,795	4,740,880	4,788,277	752,271	752,271	\$ -		\$ -		\$ -	\$ -
2035	4,740,880	94,795	4,646,084	4,693,482	739,255	739,255	\$ -		\$ -		\$ -	\$ -
2036	4,646,084	94,795	4,551,289	4,598,687	726,239	726,239	\$ -		\$ -		\$ -	\$ -
2037	4,551,289	94,795	4,456,494	4,503,891	713,222	713,222	\$ -		\$ -		\$ -	\$ -
2038	4,456,494	94,795	4,361,698	4,409,096	700,206	700,206	\$ -		\$ -		\$ -	\$ -
2039	4,361,698	94,795	4,266,903	4,314,301	687,190	687,190	\$ -		\$ -		\$ -	\$ -
2040	4,266,903	94,795	4,172,108	4,219,505	674,173	674,173			\$ -		\$ -	\$ -
2041	4,172,108	94,795	4,077,312	4,124,710	661,157	661,157			\$ -		\$ -	\$ -
2042	4,077,312	94,795	3,982,517	4,029,915	648,141	648,141			\$ -		\$ -	\$ -
2043	3,982,517	94,795	3,887,722	3,935,119	635,125	635,125			\$ -		\$ -	\$ -
2044	3,887,722	94,795	3,792,926	3,840,324	622,108	622,108			\$ -		\$ -	\$ -
2045	3,792,926	94,795	3,698,131	3,745,529	609,092	609,092			\$ -		\$ -	\$ -
2046	3,698,131	94,795	3,603,336	3,650,733	596,076	596,076			\$ -		\$ -	\$ -
2047	3,603,336	94,795	3,508,540	3,555,938	583,059	583,059	\$ -		\$ -		\$ -	\$ -
2048	3,508,540	94,795	3,413,745	3,461,143	570,043	570,043	\$ -		\$ -		\$ -	\$ -
2049	3,413,745	94,795	3,318,950	3,366,347	557,027	557,027			\$ -		\$ -	\$ -
2050	3,318,950	94,795	3,224,154	3,271,552	544,010	544,010			\$ -		\$ -	\$ -
2051	3,224,154	94,795	3,129,359	3,176,757	530,994	530,994	\$ -		\$ -		\$ -	\$ -
2052	3,129,359	94,795	3,034,564	3,081,961	517,978	517,978	\$ -		\$ -		\$ -	\$ -
2053	3,034,564	94,795	2,939,768	2,987,166	504,962	504,962	\$ -		\$ -		\$ -	\$ -
2054	2,939,768	94,795	2,844,973	2,892,371	491,945	491,945	\$ -		\$ -		\$ -	\$ -
2055	2,844,973	94,795	2,750,178	2,797,575	478,929	478,929	\$ -		\$ -		\$ -	\$ -
2056	2,750,178	94,795	2,655,382	2,702,780	465,913	465,913	\$ -		\$ -		\$ -	\$ -
2057	2,655,382	94,795	2,560,587	2,607,984	452,896	452,896	\$ -		\$ -		\$ -	\$ -
2058	2,560,587	94,795	2,465,791	2,513,189	439,880	439,880	\$ -		\$ -		\$ -	\$ -
2059	2,465,791	94,795	2,370,996	2,418,394	426,864	426,864	\$ -		\$ -		\$ -	\$ -
2060	2,370,996	94,795	2,276,201	2,323,598	413,847	413,847	\$ -		\$ -		\$ -	\$ -
2061	2,276,201	94,795	2,181,405	2,228,803	400,831	400,831	\$ -		\$ -		\$ -	\$ -
2062	2,181,405	94,795	2,086,610	2,134,008	387,815	387,815			\$ -		\$ -	\$ -
2063	2,086,610	94,795	1,991,815	2,039,212	374,799	374,799			-		\$ -	\$ -
2064	1,991,815	94,795	1,897,019	1,944,417	361,782	361,782			\$ -		\$ -	\$ -
2065	1,897,019	94,795	1,802,224	1,849,622	348,766	348,766			\$ -		\$ -	\$ -
2066	1,802,224	94,795	1,707,429	1,754,826	335,750	335,750	\$ -		\$ -		\$ -	\$ -
2067	1,707,429	94,795	1,612,633	1,660,031	322,733	322,733	\$ -		-		\$ -	\$ -
2068	1,612,633	94,795	1,517,838	1,565,236	309,717	309,717			-		\$ -	\$ -
2069	1,517,838	94,795	1,423,043	1,470,440	296,701	296,701	\$ -		-		\$ -	\$ -
2070	1,423,043	94,795	1,328,247	1,375,645	283,684	283,684	\$ -		-		\$ -	\$ -
2071	1,328,247	94,795	1,233,452	1,280,850	270,668	270,668	\$ - 		-		\$ -	\$ -
2072	1,233,452	94,795	1,138,657	1,186,054	257,652	257,652	\$ -		\$ -		\$ -	\$ -

38,396,658

38,396,658

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

Project Totals

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.

5,592,925

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) 2013 Rev Require W Incentives Incentive Amounts Prior Yr Projected #N/A #N/A #N/A Project Description: RTEP ID: b1032.2 (Construct two 138kV outlets to Delano 138kV station and to Camp Sherman station) Prior Yr True-Up #N/A #N/A #N/A True-Up Adjustment #N/A #N/A #N/A

Details								TOUE UP CE		DEOLUDEMENT CO.	DDIOD VEAD	
Investment		Current Year	EEDO /D				2013		PROJECT REVENUE			
Service Year (yyyy) Service Month (1-12)		ROE increase accepted		its)			- 13.73%		ORY OF TRUED-UP A			EAD
Useful life	71	FCR w/o incentives, les FCR w/incentives appro		less den			13.73%		IP ARR (WITH & WITH LOW TO MAINTAIN H			EAK
CIAC (Yes or No)	N	O Annual Depreciation Ex	xpense	, 1633 аср.			13.7370	LIFE OF THE P		MOTORT OF TROLD-C	OF ARROUVER THE	
,			•					RTEP Projected		RTEP Projected		
								Rev. Req't.From	RTEP Rev Req't	Rev. Req't.From	RTEP Rev Req't	True-up of
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Prior Year WS J	True-up	Prior Year WS J	True-up	Incentive
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **
-	-	-	-	-	-	-	\$ - ¢		- c		\$ -	\$ -
-			-	-		-	\$ - \$		ф •		\$ - \$ -	Ф - \$ -
-	_	_	-	-	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
-	-	-	-	-		-	- e		\$ ¢		- •	- e
<u>-</u>	-	[]	<u>-</u>	<u>-</u>	_	<u>-</u>	φ - \$ -		φ - \$ -		φ - \$ -	φ - \$ _
-]] []	-	-		-	\$ -		\$ -		\$ -	\$ -
-			-	-		-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	-
-	-	-	-	-	-	-	-		-		-	\$ -
-	-	-	-	-	-	-	\$ - ¢		- c		\$ - ¢	\$ - ¢
-			-	-		-	\$ -		φ - \$ -		\$ - \$	φ - \$ -
-	_	_	-	-	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	_		-	-		-	\$ \$		\$ - \$ -		\$ - \$	Ф - Ф -
-	_	_	_	-	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
-			-	-	_	-	\$ - \$ -		\$ - \$ -		\$ - ¢ -	\$ - ¢ -
- -	_		-	- -	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	-
-	-	-	-	-	-	-	\$ -				\$ -	\$
<u>.</u>		-	-	-		-	\$ -		\$ - \$ -		Ф -	\$ - \$ -
-]		-	-]	_	\$ -		\$ -			\$ -
-		-	-	-		-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		-	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
-	-	-	-	-		-	\$ - ¢		\$ - ¢		- •	- e
-]	-	-	-]	-	\$ - \$ -		\$ - \$ -		φ - \$ -	- \$
-			-	- -		- -	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
-	-	-	-	-	-	-	\$ - ¢		\$ - ¢		ф - ф	- ¢
<u>-</u> -]		-	-]	-	\$ - \$ -		\$ - \$ -		\$ -	\$ -
	1		-	-			<u> </u>		- -		ф ф	- -

Project Totals

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

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) 2013 Rev Require Incentive Amounts W Incentives Prior Yr Projected #N/A #N/A #N/A Prior Yr True-Up Project Description: RTEP ID: b1034.2 (Loop the existing South Canton - Wayview 138kV circuit in-and-out of West Canton) #N/A #N/A #N/A True-Up Adjustment #N/A #N/A #N/A

Details												
Investment		Current Year					2013	TRUE UP OF	PROJECT REVENUE	REQUIREMENT FOR	PRIOR YEAR:	
Service Year (yyyy)			ed by FERC (Basis Poi	nts)			-			NNUAL REVENUE RE		
Service Month (1-12)		FCR w/o incentives, le					13.73%			HOUT INCENTIVES) F		EAR
Useful life		FCR w/incentives app		s, less dep.			13.73%			IISTORY OF TRUED-L	JP ARRS OVER THE	
CIAC (Yes or No)	N	Annual Depreciation E	xpense				-	LIFE OF THE F	PROJECT.	DTED Draineted		
								RTEP Projected Rev. Req't.From	RTEP Rev Req't	RTEP Projected Rev. Req't.From	RTEP Rev Req't	True-up of
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Prior Year WS J	True-up	Prior Year WS J	True-up	Incentive
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	_	_	-	-	-	_	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	\$ -
-	-	-	-	-	-	-	-		-		-	-
-	-	-	-	-	-	-	÷ -				\$ - ¢	5 -
]	_	_		ф -		\$ -		φ - ¢ -	ф - ф -
_				_]	_	\$ -		\$ -		\$ -	\$ -
_	_	_	_	_	_	_	\$ -		\$ -		\$ -	\$ -
-	_	_	-	_	_	_	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
-	-	-	-	-	-	-	\$ -		-		-	\$ -
-	-	-	-	-	-	-	-		-		-	-
-	-	-	-	-	-	-	\$ -				\$ -	\$ -
<u>-</u>	_	-	_	-	_	-	ф - Ф		\$ - ¢		\$ - ¢	ф - ф
_			I		I .	_	ф - Ф -		\$ - \$ -		φ - ¢ -	\$ - \$ -
-	_	_	_	_	_	_	\$ -		\$ -		\$ -	\$ -
_	_	_	_	_	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		-			\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
<u>-</u>	-	-	-	-	-	-	\$ - \$ -		\$ - \$ -		\$ - \$ -	\$ - \$ -
			-	-	_	-	\$ - \$ -		\$ - \$ -		\$ -	\$ -
_	_	_	_	_	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-			\$ -
-	-		-	-	-	-	-		-		-	\$ -
-	-		-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ - \$ -		\$ - \$ -		\$ - \$ -	\$ -
<u>-</u>	-		-	-	-	-	\$ - \$ -		\$ - \$ -		- \$ -	\$ - \$ -
			-	-		-	\$ -		\$ -			\$ -
_	_	_	_	_	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ - \$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -

Project Totals

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

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) 2013 Rev Require Incentive Amounts W Incentives Prior Yr Projected #N/A #N/A #N/A Project Description: RTEP ID: b1034.3 (Install a 345/138kV 450 MVA transformer at Canton Central) Prior Yr True-Up #N/A #N/A #N/A True-Up Adjustment #N/A #N/A #N/A

Details												
Investment		Current Year					2013	TRUE UP OF	PROJECT REVENUE	REQUIREMENT FOR	PRIOR YEAR:	
Service Year (yyyy)		ROE increase accepted		ts)			-	CUMULATIVE HIST	ORY OF TRUED-UP A	NNUAL REVENUE RE	EQUIREMENTS:	
Service Month (1-12)		FCR w/o incentives, less					13.73%			HOUT INCENTIVES) F		EAR
Useful life	71	FCR w/incentives appro	oved for these facilities,	less dep.			13.73%			IISTORY OF TRUED-L	JP ARRS OVER THE	
CIAC (Yes or No)	No	Annual Depreciation Ex	pense		1	T	-	LIFE OF THE P	ROJECT.			
								RTEP Projected	DTED Day Dogle	RTEP Projected	DTED Day Dayle	T of
lnvo otm ont	Doginaina	Donrociation	Endina	Averen	DTED Day Dogle	DTED Day Dog!	Incontive Day	Rev. Req't.From Prior Year WS J	RTEP Rev Req't	Rev. Req't.From Prior Year WS J	RTEP Rev Req't	True-up of
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	w/o Incentives	True-up w/o Incentives	with Incentives **	True-up with Incentives **	Incentive with Incentives **
- Teal	- Balance		- Dalatice	- Dalance	-	-	\$ -	W/O IIICEITIVES	\$ -	with incentives	\$ -	\$ -
-	_	_	-	_	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	-		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	5 -
-	_		-	-	_	_	ф •		ф •		Ф -	ф - e
-]] []	-	- -			\$ -		\$ -		\$ -	\$ -
_			_	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		\$ -	\$ -
-	-	-	-	-	-	-	-		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ ¢	5 -
-	_		-	-	_	_	\$ - ¢ -		\$ - ¢ -		ф - ¢ -	ф - ¢ -
- -			-	-	_		\$ -		\$ -		\$ -	\$ -
_	_	_	-	-	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	_	-	-	-	-	-	\$ - \$ -		- -		\$ - ¢ -	\$ - \$
_			-	-	_	_	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	-		-		\$ -	\$ -
-	-	-	-	-		-	\$ - \$ -		- -			\$ - \$ -
-			-	-			\$ -		\$ -			\$ -
_	_	_	_	_	_	_	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	-		-			\$ -
<u>-</u> -		-	-	-		-	\$ - \$ -		\$ - \$			\$ -
	-	-	-	-	-	-	\$ - \$ -		\$ - \$ -			\$ - \$ -
-			-	-	_	_	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
-	-	-	-	-	-	-	-		-			\$ -
-	-	-	-	-	-	-	-		-		5 -	\$ -
-	-		-	-	-	-	\$ - \$ -		\$ - \$ -		Ф \$	φ - ¢ -
-]	-		-	-	-	\$ -		\$ -		\$ -	\$ -
_	_	_	_	_	_	_	\$ -		\$ -		\$ -	\$ -

Project Totals

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

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)	2013	Rev Require	W Incentives	Incentive Amounts
			Prior Yr Projected	#N/A	#N/A	#N/A
Project Description:	RTEP ID: b1970 (Reconductor 13 miles of Kammer-West Bellaire 345 kV line)		Prior Yr True-Up	#N/A	#N/A	#N/A
			True-Up Adjustment	#N/A	#N/A	#N/A

Details												
Investment		Current Year					2013			REQUIREMENT FOR		
Service Year (yyyy)		ROE increase accepte	ed by FERC (Basis Poir	nts)			- 13.73%			NNUAL REVENUE RI		EAD
Service Month (1-12) Useful life	71	FCR w/o incentives, le	ess depreciation proved for these facilities	less den			13.73%	TEMPLATE BE	I OW TO MAINTAIN F	HOUT INCENTIVES) F HISTORY OF TRUED-L	IP ARRS OVER THE	EAR
CIAC (Yes or No)	No	Annual Depreciation E	Expense	,			-	LIFE OF THE P	ROJECT.			
								RTEP Projected		RTEP Projected		_
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Rev. Req't.From Prior Year WS J	RTEP Rev Req't True-up	Rev. Req't.From Prior Year WS J	RTEP Rev Req't True-up	True-up of Incentive
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ - ¢		- •		\$ -	\$ -
-	-		-	-	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ - ¢		- •		\$ -	\$ -
-	-		-	-	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	-
-	-	-	-	-	-	-	-				-	
-	-	-		-	-	-	э \$		э \$		- \$ -	\$ -
_	<u>.</u>	-		-	-	<u>-</u>	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	\$ -
-	-	-	-	-	-	-	\$ ¢		\$ - ¢		\$ - ¢	\$ - ¢
-	-]	-	-	_	-	\$ -		\$ - \$		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	-
_			-	-	_	-	\$ -		\$ -		\$ -	\$ -
_	-	_	_	-	_	<u>-</u>	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	\$ -
-	-	-	-	-	-	-	\$ - ¢		\$ - ¢		\$ - ¢	\$ - ¢
_	_	_	-	-	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ - ¢		- ·		\$ -	\$ -
-	-		-	-	_	-	\$ -		\$ -		φ - \$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		-	\$ -
-	-	-	-	-	-	-	\$ -					\$ -
	-		[]	-]		φ - \$ -		- \$ -		- \$ -	\$ -
-	-	-	_	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	-
	<u>.</u> -			<u>-</u>	-	- -	\$ - \$		- \$ -		- \$ -	\$ - \$
	-] [-		-	\$ -		\$ -		-	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	-
-	-	-	-	-	-	-	\$ - e		- •		- •	\$ - ¢
	-		[]	-			φ - \$ -		- \$ -		- \$ -	φ - \$ -
-	-	-	_	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	-
	- -	-	-	<u>-</u>	-	-	- - -		\$ \$		\$ -	\$ \$
]] []	-]		\$ -		\$ -		- \$	\$ -
		_		-	-	<u> </u>	\$ -		\$ -		\$ -	\$ -
Project Totals	· ·	_									· ·	

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

Project Totals

Page 51 of 61

AEP OHIO TRANSMISSION COMPANY Worksheet K - ATRR TRUE-UP Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

Facilities receiving	incentives accepted by FERC in Docket No.	(e.g. ER05-925-000)	2013	Rev Require	W Incentives	Incentive Amounts
			Prior Yr Projected	0	0	-
Project Description:	RTEP ID: b2018 (Loop Conesville-Bixby 345 kV circuit into Ohio Central)		Prior Yr True-Up	288,275	288,275	-
			True-Up Adjustment	288,275	288,275	-

Details												
Investment		Current Year					2013		PROJECT REVENUE			
Service Year (yyyy)			by FERC (Basis Points))			-		ORY OF TRUED-UP A			
Service Month (1-12) Useful life		FCR w/o incentives, les	s depreciation oved for these facilities, le	an dan			13.73% 13.73%		IP ARR (WITH & WITH LOW TO MAINTAIN H	•	ROM EACH PRIOR YE	=AR
CIAC (Yes or No)		Annual Depreciation Ex		ess dep.			29,565	LIFE OF THE P		IISTORY OF TRUED-U	JP ARKS OVER THE	
01/10 (103 01 110)	110	Annual Depresiation Ex	perioc				25,000	RTEP Projected	NOOLOT.	RTEP Projected		
								Rev. Req't.From	RTEP Rev Req't	Rev. Req't.From	RTEP Rev Req't	True-up of
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Prior Year WS J	True-up	Prior Year WS J	True-up	Incentive
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **
2013	2,099,452	-	2,099,452	2,099,452	288,275	288,275	\$ -	\$ 0	\$ 288,275	\$ 0	\$ 288,275	\$ -
2014	2,099,452	29,565 29,565	2,069,887	2,084,670	315,810 311,750	315,810	\$ -		\$ -		\$ -	\$ - ¢
2015 2016	2,069,887 2,040,322	29,565 29,565	2,040,322 2,010,757	2,055,105 2,025,540	307,691	311,750 307,691	Ф ¢		Ф -		φ - ¢ -	Ф -
2017	2,040,322	29,565	1,981,193	1,995,975	303,631	303,631	\$ -		\$ -		\$ -	\$ -
2018	1,981,193	29,565	1,951,628	1,966,410	299,572	299,572	\$ -		\$ -		\$ -	\$ -
2019	1,951,628	29,565	1,922,063	1,936,845	295,512	295,512	\$ -		\$ -		\$ -	\$ -
2020	1,922,063	29,565	1,892,498	1,907,280	291,453	291,453	\$ -		\$ -		\$ -	\$ -
2021	1,892,498	29,565	1,862,933	1,877,716	287,393	287,393	\$ -		-		-	\$ -
2022	1,862,933	29,565	1,833,368	1,848,151	283,333	283,333	\$ -		\$ -		\$ -	\$ -
2023 2024	1,833,368 1,803,803	29,565 29,565	1,803,803 1,774,239	1,818,586 1,789,021	279,274 275,214	279,274 275,214	φ - \$ -		φ - \$ -		φ - \$ -	φ - \$ -
2025	1,774,239	29,565	1,744,674	1,759,456	271,155	271,155	\$ -		\$ -		\$ -	\$ -
2026	1,744,674	29,565	1,715,109	1,729,891	267,095	267,095			\$ -		\$ -	\$ -
2027	1,715,109	29,565	1,685,544	1,700,326	263,036	263,036			\$ -		\$ -	\$ -
2028	1,685,544	29,565	1,655,979	1,670,762	258,976	258,976	\$ -		\$ -		\$ -	\$ -
2029	1,655,979	29,565	1,626,414	1,641,197	254,917	254,917			-		-	\$ -
2030	1,626,414	29,565	1,596,849	1,611,632	250,857	250,857	\$ -		\$ -		\$ -	\$ -
2031 2032	1,596,849 1,567,285	29,565 29,565	1,567,285 1,537,720	1,582,067 1,552,502	246,798 242,738	246,798 242,738	\$ - \$		\$ - \$ -		\$ - \$	Ф - \$ _
2032	1,537,720	29,565	1,508,155	1,522,937	238,679	238,679	\$ -		\$ -		\$ -	\$ -
2034	1,508,155	29,565	1,478,590	1,493,372	234,619	234,619	\$ -		\$ -		\$ -	\$ -
2035	1,478,590	29,565	1,449,025	1,463,808	230,560	230,560	\$ -		\$ -		\$ -	\$ -
2036	1,449,025	29,565	1,419,460	1,434,243	226,500	226,500	\$ -		\$ -		\$ -	\$ -
2037	1,419,460	29,565	1,389,895	1,404,678	222,440	222,440	\$ -		-		-	\$ -
2038	1,389,895	29,565 29,565	1,360,331	1,375,113	218,381	218,381			\$ -		\$ - ¢	5 -
2039 2040	1,360,331 1,330,766	29,565	1,330,766 1,301,201	1,345,548 1,315,983	214,321 210,262	214,321 210,262			Ф - \$ -		\$ -	Ф \$
2041	1,301,201	29,565	1,271,636	1,286,418	206,202	206,202			\$ -		\$ -	\$ -
2042	1,271,636	29,565	1,242,071	1,256,854	202,143	202,143	\$ -		\$ -		\$ -	\$ -
2043	1,242,071	29,565	1,212,506	1,227,289	198,083	198,083			\$ -		\$ -	\$ -
2044	1,212,506	29,565	1,182,941	1,197,724	194,024	194,024			\$ -		-	\$ -
2045	1,182,941	29,565	1,153,376	1,168,159	189,964	189,964			\$ -		-	\$ -
2046 2047	1,153,376 1,123,812	29,565 29,565	1,123,812 1,094,247	1,138,594 1,109,029	185,905 181,845	185,905 181,845			\$ - ¢		\$ - ¢	\$ - ¢
2048	1,094,247	29,565	1,064,682	1,079,464	177,786	177,786			\$ -		\$ -	\$ -
2049	1,064,682	29,565	1,035,117	1,049,899	173,726	173,726			\$ -		\$ -	\$ -
2050	1,035,117	29,565	1,005,552	1,020,335	169,666	169,666			\$ -		\$ -	\$ -
2051	1,005,552	29,565	975,987	990,770	165,607	165,607			\$ -		\$ -	\$ -
2052	975,987	29,565	946,422	961,205	161,547	161,547			\$ -		\$ -	\$ -
2053 2054	946,422 916,858	29,565 29,565	916,858	931,640 902,075	157,488 153,428	157,488 153,428			-		ф - ¢	-
2054 2055	916,858 887,293	29,565 29,565	887,293 857,728	902,075 872,510	153,428 149,369	153,428 149,369			φ - \$ -		φ - \$ -	φ - \$ -
2056	857,728	29,565	828,163	842,945	145,309	145,309			\$ -		\$ -	\$ -
2057	828,163	29,565	798,598	813,381	141,250	141,250			\$ -		\$ -	\$ -
2058	798,598	29,565	769,033	783,816	137,190	137,190			\$ -		\$ -	\$ -
2059	769,033	29,565	739,468	754,251	133,131	133,131			-		-	\$ -
2060	739,468	29,565	709,904	724,686	129,071	129,071			5		\$ -	5 -
2061 2062	709,904 680,339	29,565 29,565	680,339 650,774	695,121 665,556	125,012 120,952	125,012 120,952			Ф Ф		φ - ¢	Ф Ф
2062	650,774	29,565	621,209	635,991	116,893	116,893			\$ -		\$ -	\$ -
2064	621,209	29,565	591,644	606,427	112,833	112,833			\$ -		\$ -	\$ -
2065	591,644	29,565	562,079	576,862	108,773	108,773			\$ -		\$ -	\$ -
2066	562,079	29,565	532,514	547,297	104,714	104,714	\$ -		\$ -		\$ -	\$ -
2067	532,514	29,565	502,950	517,732	100,654	100,654			-		\$ -	-
2068	502,950	29,565	473,385	488,167	96,595	96,595			-		\$ -	\$ -
2069 2070	473,385 443,820	29,565 29,565	443,820 414,255	458,602 429,037	92,535 88,476	92,535 88,476			- \$		т Ф	÷ -
2070	443,820 414,255	29,565 29,565	384,690	429,037 399,473	88,476 84,416	88,476 84,416			\$ -		ς \$ -	\$ -
2072	384,690	29,565	355,125	369,908	80,357	80,357			\$ -		\$ -	\$ -
Project Totals		1 744 327	,	7,		11 975 185						-

11,975,185

Project Totals

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.

1,744,327

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

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)	2013	Rev Require	W Incentives	Incentive Amounts
			Prior Yr Projected	#N/A	#N/A	#N/A
Project Description:	RTEP ID: b2021 (Add 345/138 kV Transformers at Sporn, Kanawha River, and Musk	ingum River stations)	Prior Yr True-Up	#N/A	#N/A	#N/A
			True-Up Adjustment	#N/A	#N/A	#N/A

Details												
Investment		Current Year					2013			REQUIREMENT FOR		
Service Year (yyyy)		ROE increase accepte	ed by FERC (Basis Poir	nts)			42.720/			NNUAL REVENUE RI		ΓΛD
Service Month (1-12) Useful life	71	FCR w/o incentives, le	ess depreciation roved for these facilities	less den			13.73% 13.73%			HOUT INCENTIVES) F HISTORY OF TRUED-L		EAR
CIAC (Yes or No)	No.	Annual Depreciation E	Expense	, less dep.			13.7376	LIFE OF THE P		IISTORT OF TROED-C	OF ARROUVER THE	
								RTEP Projected		RTEP Projected		
								Rev. Req't.From	RTEP Rev Req't	Rev. Req't.From	RTEP Rev Req't	True-up of
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Prior Year WS J	True-up	Prior Year WS J	True-up	Incentive
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **
-	-	-	-	-	-	-	\$ -		-		-	\$ -
	_	_	_	_		-	\$ - ¢ -		\$ - ¢ -		ф - •	\$ - \$
_	_	_	_	-	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		- •	\$ - ¢
]]]]	ς \$		φ - \$ -		- \$ -	φ - \$ -
_	-	_	_	-	_	<u>-</u>	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	-
-	-	-	-	-	-	-	\$ -		\$ -		-	\$ -
	-	-	-	-	-	-	Ф -		Ъ -		- ¢	ф - ф
				-	_	-	\$ -		\$ -		\$ -	\$ -
_	_	_	_	-	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	\$ -
	-	_	-	-	_	-	\$ - ¢ -		\$ - ¢ -		- •	\$ - ¢ -
			_	- -	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
	-	_	-	-	_	-	\$ - ¢ -		\$ - ¢ -		\$ - ¢ -	\$ - ¢ -
_	_	_	_	-	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	\$ -
-	-	-	-	-	-	-	-		-		-	\$ -
	-	-	-	• -	-	- -	-		ф -		-	ф - ¢ -
]] [-]		\$		\$ -		\$ -	\$ -
_	-	-	- 1	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		\$ -	-
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
<u>-</u>	-	-	-	-	-	-	- ¢		э -		- e	Ъ -
[[]]] []	-			φ - \$ -		φ - \$ -		- \$ -	φ - \$ -
	_	_		_	_	_	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		-	-
-	-	-	-	-	-	-	\$ -		\$ -			\$ -
	-	-	-	<u>-</u>	-	- -	Φ - \$		Φ - ¢ -		Ф •	φ - ¢ -
]			-]		\$ -		\$ -		- \$ -	\$ -
_	-	-	_	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	-		-		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
Project Totals						-						

Project Totals

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

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)	2013	Rev Require	W Incentives	Incentive Amounts
			Prior Yr Projected	#N/A	#N/A	#N/A
Project Description:	RTEP ID: b2032 (Rebuild 138 kV Elliott Tap-Poston line)		Prior Yr True-Up	#N/A	#N/A	#N/A
			True-Up Adjustment	#N/A	#N/A	#N/A

Details												
Investment		Current Year					2013			REQUIREMENT FOR		
Service Year (yyyy) Service Month (1-12)		ROE increase accepted FCR w/o incentives, les	d by FERC (Basis Points as depreciation	s)			- 13.73%			NNUAL REVENUE RI HOUT INCENTIVES) F		EAR
Useful life	71	FCR w/incentives appro	oved for these facilities,	less dep.			13.73%	TEMPLATE BE	LOW TO MAINTAIN F	IISTORY OF TRUED-L		_,
CIAC (Yes or No)	No	Annual Depreciation Ex	rpense		T	T	-	LIFE OF THE F	ROJECT.			
								RTEP Projected Rev. Req't.From	RTEP Rev Req't	RTEP Projected Rev. Req't.From	RTEP Rev Req't	True-up of
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Prior Year WS J	True-up	Prior Year WS J	True-up	Incentive
Year	Balance	Expense	Balance	Balance	w/o Incentives	with Incentives **	Requirement ##	w/o Incentives	w/o Incentives	with Incentives **	with Incentives **	with Incentives **
-	-		-	-		-	\$ - \$ -				\$ - \$ -	\$ - \$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-		-	-	-	-	\$ - \$				\$ - \$ -	\$ - \$ -
-	-		-	-	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-		-	-		-	\$ -		\$ - \$		\$ - \$	\$ - \$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	-
-	-	.	-	-	-	-	\$ -		- •		\$ - ¢	- •
-	-		-	-		-	\$ -		\$ -		\$ -	\$ -
-	-	- 1	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
-	-			-		-	\$ -		\$ - \$ -		\$ - \$ -	\$ -
-	_		_	-	_	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -				\$ •	\$ -
-	-		-	-	-	-	\$ -		\$ - \$		\$ -	ъ - \$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	-
-	-			-		-	\$ -		\$ - \$ -		\$ - \$ -	\$ -
_	-	- 1	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-		-	-	-	-	\$ •				\$ - e	\$ •
-	-		-	- -		-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		\$ -	\$ -
- -	-		-	-	-	-	\$ -		\$ - \$ -		\$ - \$ -	\$ - \$ -
-	-		-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	-
-	-	[]	- 1	-	-	[]	\$ - \$		\$ - \$ -		- \$	- \$
-	-	.	-	- -	-	- 1	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	.	-	-	-	-	\$ -		- ·		\$ - ¢	- •
-	-	:	: 1	-]] [\$ -		\$ -		- \$ -	- \$ -
-	-		-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		-		-	-
-	-	:	-	-		- 1	\$ -		\$ - \$ -		- \$ -	- \$ -
-	-		-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	•	-	-	-	-	\$ -		- ·		\$ - ¢	- •
-	-	:	: 1	-]		\$ -		\$ -		φ - \$ -	- \$
-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
-	-	•	-	-	-	-	\$ -				-	-
-	-	:	- 1	-		[]	\$ -		\$ - \$ -		- \$ -	- \$ -
Project Totals		-	-	_		_	Ψ -		<u> </u>		Ψ -	_

Project Totals

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

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet L Supporting Projected Cost of Debt AEP OHIO TRANSMISSION COMPANY

Calculation of Projected Interest Expense Based on Outstanding Debt at Year End

Lina	(A)	(B)	(C)	(D)
<u>Line</u> Number	Issuance	Principle Outstanding	Interest Rate	Annual Expense
				(See Note S on
1	Long Term Debt (FF1.p. 256-257, a,h)			Projected Template)
2	Bonds - Acc 221			_
3				_
4				-
5				-
6	Reacquired Bonds - Total Account 222			-
7				-
8				-
9	A boson of from Arrow Orange of the			-
10	Advances from Assoc Companies	00 000 000	0.0000/	0.745.000
11 12	Senior Notes, Series A, Tranche A, 3.30%	83,200,000 68,000,000	3.300% 4.000%	2,745,600
13	Senior Notes, Series A, Tranche B, 4.00% Senior Notes, Series A, Tranche C, 4.73%	48,800,000	4.730%	2,720,000 2,308,240
14	Senior Notes, Series A, Tranche E, 4.83%	10,000,000	4.830%	483,000
15	Senior Notes, Series B, Tranche A, 2.73%	31,500,000	2.730%	859,950
16	Senior Notes, Series B, Tranche B, 4.05%	37,800,000	4.050%	1,530,900
17	Senior Notes, Series B, Tranche C, 4.38%	37,800,000	4.380%	1,655,640
18	Senior Notes, Series B, Tranche D, 5.32%	63,000,000	5.320%	3,351,600
19				-
20				-
21				-
22	Other Long Term Debt - Acc 224			-
23				-
24				-
25 26				-
26 27	Sale/Leaseback (If Applicable)		0.00%	-
21	Odio/Leadebaok (ii Applicable)		0.0070	
28	Issuance Discount, Premium, & Expenses:			
29	Auction Fees	FF1.p. 256 & 257.Lines Described as F	ees	-
30	Amort of Debt Discount and Expenses	FF1.p. 117.63.c		83,368
31	Less: Amort of Debt Premiums	FF1.p. 117.65.c		-
00	December of Dokts			
32 33	Reacquired Debt: Amortization of Loss	FF1.p. 117.64.c		
33 34	Less: Amortization of Gain	FF1.p. 117.66.c		
04	2033. Amortization of Gain	11 1.p. 117.00.0		
35	Total Interest on Long Term Debt	380,100,000	4.14%	15,738,298
2.5	B (10) 1 (==)			
36 27	Preferred Stock (FF1.p. 250-251)	Preferred Shares Outstanding		
37 38				-
38 39				
40				
41				_
42				
43				
44				-
45	Dividends on Preferred Stock		0.00%	-

NOTE: All interest rate hedging gains/losses shall be excluded from long term debt expense.

AEPTCo subsidiaries in PJM Transmission Cost of Service Formula Rate AEP OHIO TRANSMISSION COMPANY

Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital Based on Average of Balances At 12/31/2012 & 12/31/2013

(A)	(B)	(C)	(D)	(E)
<u>Line</u> Devel	opment of Average Balance of Common Equity	Balances @ 12/31/2013	Balances @ 12/31/2012	Average
	Proprietary Capital (112.16.c&d)	388,422,070	199,235,808	293,828,939
	Less Preferred Stock (Ln 48 Below) Less Account 216.1 (112.12.c&d)	-	-	-
4	_ess Account 219.1 (112.15.c&d)	-	-	
5	Average Balance of Common Equity	388,422,070	199,235,808	293,828,939
<u>Devel</u>	opment of Cost of Long Term Debt Based on Ave	erage Outstanding	<u>Balance</u>	
6 1	Bonds (112.18.c&d)	_	_	_
7	Less: Reacquired Bonds (112.19.c&d)	-	-	-
	_T Advances from Assoc. Companies (112.20.c&d) Senior Unsecured Notes (112.21.c&d)	380,100,000	200,000,000	290,050,000
	Less: Fair Value Hedges (See Note on Ln 12 below)	•	-	-
	Total Average Debt	380,100,000	200,000,000	290,050,000
•	NOTE: The balance of fair value hedges on outstanding long debt included in the formula's capital structure. (Page 257, C		cluded from the bala	ance of long term
	nterest on Long Term Debt (256-257.33.i)			9,261,384
	Less: Total Hedge (Gain)/Expense Accumulated from p 256-257,	col (i) of FERC Form		
	1 included in Ln 14 and shown in Ln 32 below. Amort of Debt Discount & Expense (117.63.c)			83,368
	Amort of Loss on Reacquired Debt (117.64.c)			-
	Less: Amort of Premium on Debt (117.65.c)			-
	Less: Amort of Gain on Reacquired Debt (117.66.c) Fotal Interest Expense (Ln 14 - Ln 15 + Ln 16 + Ln 17 - Ln 18	- Ln 19)	-	9,344,752
		•	F	
21 /	Average Cost of Debt for 2013 (Ln 20/Ln 11)		L	3.22%
	CALCULATION OF HEDGE GAINS/LOSSES TO BE EXLCUDE	ED FROM TCOS		

<u>CALCULATION OF HEDGE GAINS/LOSSES TO BE EXLCUDED FROM TCOS</u>

22 AEP OHIO TRANSMISSION COMPANY may not include costs (or gains) related to interest hedging activities

		,	()		Amort	ization Period
	HEDGE AMOUNTS BY ISSUANCE (FROM of the FERC Form 1)	1 p. 256-257 (i)	(Amortization of (Gain)/Loss for 2013	Remaining Unamortized Balance	Beginning	Ending
23						
24						
25						
26						
27						
28						
29						
30						
31						

<u>De</u>

32 Net (Gain)/Loss Hedge Amortization To Be Removed

Development of Cost of Preferred Stock				
Preferred Stock 33 0% Series - Dividend Rate (p. 250-251. 7 & 10.a)			<u>Average</u>	
34 0% Series Par Value (p. 250-251. 8.c) 35 0% Series Shares O/S (p.250-251. 8 & 11.e) 36 0% Series Monetary Value (Ln 34 * Ln 35)	-		-	
37 0% Series Dividend Amount (Ln 33 * Ln 36)38 0% Series Dividend Rate (p. 250-251.a)	-	-	-	
39 0% Series Par Value (p. 250-251.c) 40 0% Series Shares O/S (p.250-251. e) 41 0% Series Monetary Value (Ln 39 * Ln 40)	-	<u>.</u>	_	
42 0% Series Dividend Amount (Ln 38 * Ln 41) 43 0% Series Dividend Rate (p. 250-251.a)		-	-	
44 0% Series Par Value (p. 250-251.c) 45 0% Series Shares O/S (p.250-251.e)				
46 0% Series Monetary Value (Ln 44 * Ln 45) 47 0% Series Dividend Amount (Ln 43 * Ln 46)	-	-	-	
48 Balance of Preferred Stock (Lns 36, 41, 46) 49 Dividends on Preferred Stock (Lns 37, 42, 47) 50 Average Cost of Preferred Stock (Ln 49/48)	0.00%	- 0.00%	- - 0.00%	Year End Total Agrees to FF1 p.112, Ln 3, col (c) & (d)

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use AEP OHIO TRANSMISSION COMPANY

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

	(A)	eld for future use related to general (B)	(C) Function	(D)	(E)	(F)	(G) Functional	(H) Functionalized	(I) FERC
Line	Date	Property Description	(T) or (G) T = Transmissi	Basis ion	Proceeds	(Gain) / Loss	Allocator	Proceeds (Gain) / Loss	Account
1			G = General				0.0009/		
'						-	0.000%	-	
2						_	0.000%	_	
2							0.00070		
3						_	0.000%	_	
							0.00070		
4			1	Net (Gain) or L	oss for 2013		-	-	

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using 2013 FF1 Balances Iculation of Post-employment Benefits Other than Pensions Expenses Allocable

Calculation of Post-employment Benefits Other than Pensions Expenses Allocable to Transmission Service Worksheet O - PBOP Support AEP OHIO TRANSMISSION COMPANY

РВОР	(A)	(B)
1	Calculation of PBOP Expenses	. ,
2	AEP System PBOP Rate	
3	Total AEP System PBOP expenses	-\$17,177,382
4	Base Year relating to retired personnel	\$0
5	Amount allocated on Labor	-\$17,177,382
6	Total AEP System Direct Labor Expense	\$1,225,451,318
7	AEP System PBOP expense per dollar of direct labor (PBOP Rate)	-\$0.014
8	Currently Approved PBOP Rate	\$0.094
9	Base PBOP TransCo labor expensed in current year	1,357,738
10	Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9)	\$127,627
11	Direct PBOP Expense per Actuarial Report	\$0
12	Additional PBOP Ledger Entry (From Company Records)	\$0
13	Medicare Credit	\$0
14	PBOP Expenses From AEP Affiliates (From Company Records)	-\$12,578
15	Actual PBOP Expense (Sum Lines 11-14)	-\$12,578
16	PBOP Adjustment Line 10 less Line 15	\$140,206

AEPTCo subsidiaries in PJM Worksheet - P DEPRECIATION RATES FOR TRANSMISSION PLANT PROPERTY ACCOUNTS EFFECTIVE AS OF July 1, 2014

AEP OHIO TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		_
Land Rights	350.1	1.49%
Structures & Improvements	352.0	1.53%
Station Equipment	353.0	1.78%
Towers & Fixtures	354.0	1.48%
Poles & Fixtures	355.0	2.30%
Overhead Conductor	356.0	1.42%
Underground Conduit	357.0	1.50%
Underground Conductors	358.0	2.15%
Roads & Trails	359.0	1.60%

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

	Composite Depreciation Rate	<u>CSP</u>	<u>OPCo</u>	<u>TOTAL</u>
1	T-Plant (FF1 206.58.g)	619,883,849	1,164,351,684	1,784,235,533
2	T-Plant (FF1 206.58.b)	570,478,232	1,109,431,387	1,679,909,619
3	Average (Ln 1+ Ln 2)/2	595,181,041	1,136,891,536	1,732,072,576
4	Depreciation (FF1 336.7.f)	12,769,913	25,505,773	38,275,686
5	Composite Depreciation (Ln 3 / Ln 4)			2.21%

Note: AEP OHIO TRANSMISSION COMPANY shall initially use the composite depreciation rate for CSP and OPCo shown above to estimate depreciation expense for transmission projects in Worksheets I, J, and K until a composite depreciation rate based on transmission plant in service and depreciation expenses recorded by AEP OHIO TRANSMISSION COMPANY for its own transmission facilities can be calculated in AEP OHIO TRANSMISSION COMPANY's the first Annual Update including a True-Up TCOS.

AEP East Consolidated Utility Capital Structure Consolidation of Operating Companies' Capital Structure @ December 31, 2013 Worksheet Q Page 1

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
<u>Development of Long Term Debt Balances at Year End</u> 1 Bonds (112.18.c&d)	380,300,000	-	-	-	-	_	380,300,000
2 Less: Reacquired Bonds (112.19.c&d)	-	40,000,000			460,400,000	-	500,400,000
3 LT Advances from Assoc. Companies (112.20.c&d)4 Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund	86,000,000 3,734,854,787	- 1,640,281,142	20,000,000 730,000,000	20,000,000	- 2,933,684,996	25,000,000	151,000,000 9,038,820,925
5 Less: Fair Value Hedges (See Note on Ln 7 below)	-	<u> </u>	<u> </u>	-	<u> </u>	-	-
6 Total Long Term Debt Balance	4,201,154,787	1,600,281,142	750,000,000	20,000,000	2,473,284,996	25,000,000	9,069,720,925
7 NOTE: The balance of fair value hedges on outstanding long term debt are to be	e excluded from the balance of I	long term debt included in the for	mula's capital structure	. (page 257, Colur	nn H of the FF1)		
Development of Long Term Debt Interest Expense							
8 Interest on Long Term Debt (256-257.33.i)	185,202,116	92,594,357	35,048,706	904,000	177,049,876	1,312,500	492,111,555
9 Amort of Debt Discount & Expense (117.63.c) 10 Amort of Loss on Reacquired Debt (117.64.c)	3,337,225 1,347,335	2,814,644 1,941,251	471,186 33,649	-	5,807,092 1,359,637	-	12,430,147 4,681,872
11 Less: Amort of Premium on Debt (117.65.c)	-		-	-	-	-	-
12 Less: Amort of Gain on Reacquired Debt (117.66.c) 13 Less: Hedge Interest on pp 256-257(i)	- 1,558,935	1,712 916,010	- 92,956	-	(2,097,663)	-	1,712 470,238
13 Less: Hedge Interest on pp 236-237(i) 14 LTD Interest Expense	188,327,741	96,432,530	35,460,585	904,000	186,314,268	1,312,500	508,751,624
Development of Cost of Broforred Stock and Broforred Dividends							
<u>Development of Cost of Preferred Stock and Preferred Dividends</u> 15 Dividend Rate (p. 250-251. 7.a)	4.50%	4.125%			4.08%		
16 Par Value (p. 250-251. 8.c)	\$ 100.00	\$ 100.00			\$ 100.00		
17 Shares Outstanding (p.250-251. 8.e) 18 Monetary Value (Ln 16 * Ln 17)	• •	- -	-		-	<u>-</u>	<u>-</u>
19 Dividend Amount (Ln 15 * Ln 18)	-	-	-	-	-	-	-
20 Dividend Rate (p. 250-251. 7.a)		4.12%			4.20%		
21 Par Value (p. 250-251. 8.c)		\$ 100.00			\$ 100.00		
22 Shares Outstanding (p.250-251. 8.e) 23 Monetary Value (Ln 21 * Ln 22)	_	•	_	_	-	_	_
24 Dividend Amount (Ln 20 * Ln 23)	- -	- -	- -	-	-	-	-
25 Dividend Rate (p. 250-251. 7.a)		4.56%			4.40%		
26 Par Value (p. 250-251. 8.c)		\$ 100.00		\$			
27 Shares Outstanding (p.250-251, 8.e)		-			-		
28 Monetary Value (Ln 26 * Ln 27) 29 Dividend Amount (Ln 25 * Ln 28)	- -	-	-	-	-	-	- -
00 Dividend Date (n. 050 054, 7 a)					4.500/		
30 Dividend Rate (p. 250-251. 7.a) 31 Par Value (p. 250-251. 8.c)				\$	4.50% 100.00		
32 Shares Outstanding (p.250-251. 8.e)				· ·	-		
33 Monetary Value (Ln 31 * Ln 32) 34 Dividend Amount (Ln 30 * Ln 33)	- -	- -	- -	- -	- -	-	-
· · · · · · · · · · · · · · · · · · ·							
35 Preferred Stock (Lns 18, 23, 28,33) 36 Preferred Dividends (Lns 19, 24, 29,34)	- -	-	-	-	- -	-	-
<u>Development of Common Equity</u> 37 Proprietary Capital (112.16.c)	3,231,334,227	1,922,153,922	839,369,490	31,081,849	1,625,265,129	120,225,152	7 760 420 760
38 Less: Preferred Stock (Ln 35 Above)	3,231,334,221	1,922,100,922	639,369,490	31,061,649	1,025,205,129	120,225,152	7,769,429,769 -
39 Less: Account 216.1 (112.12.c)	1,639,734	(96,036)	- (5.440.700)	-	4,915,704	-	6,459,402
40 Less: Account 219.1 (112.15.c) 41 Balance of Common Equity	2,951,210 3,226,743,283	(15,508,739) 1,937,758,697	(5,419,702) 844,789,192	3,296 31,078,553	7,079,463 1,613,269,962	972,206 119,252,946	(9,922,266) 7,772,892,633
	-, -, -,	, ,	- ,, -	- ,,	,,,	-, - ,	, ,,
<u>Calculation of Capital Shares</u> 42 Long Term Debt (Ln 6 Above)	4,201,154,787	1,600,281,142	750,000,000	20,000,000	2,473,284,996	25,000,000	9,069,720,925
43 Preferred Stock (Ln 35 Above)	-	-	-	-	-	-	-
44 Common Equity (Ln 41 Above) 45 Total Company Structure	3,226,743,283 7,427,898,070	1,937,758,697 3,538,039,839	844,789,192 1,594,789,192	31,078,553 51,078,553	1,613,269,962 4,086,554,958	119,252,946 144,252,946	7,772,892,633 16,842,613,558
45 Total Company Structure	7,427,090,070	3,330,039,039	1,394,709,192	31,070,333	4,000,334,930	144,232,940	10,042,013,330
46 LTD Capital Shares (Ln 42 / Ln 45)	56.56%	45.23% 0.00%	47.03%	39.16%	60.52%	17.33% 0.00%	53.85% 0.00%
47 Preferred Stock Capital Shares (Ln 43 / Ln 45) 48 Common Equity Capital Shares (Ln 44 / Ln 45)	0.00% 43.44%	54.77%	0.00% 52.97%	0.00% 60.84%	0.00% 39.48%	82.67%	46.15%
49 Equity Capital Share Limit	100.00%	100.00%	100.00%	100.00%	51.00%	100.00%	50.00%
50 LTD Capital Shares with Capital Equity Cap 51 Preferred Stock Capital Shares	56.56% 0.00%	45.23% 0.00%	47.03% 0.00%	39.16% 0.00%	60.52% 0.00%	17.33% 0.00%	53.85% 0.00%
52 Common Equity Capital Shares with Capital Equity Cap	43.44%	54.77%	52.97%	60.84%	39.48%	82.67%	
Calculation of Capital Cost Rate							
53 LTD Capital Cost Rate (Ln 14 / Ln 6)	4.48%	6.03%	4.73%	4.52%	7.53%	5.25%	5.61%
54 Preferred Stock Capital Cost Rate (Ln 36 / Ln 35)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
55 Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
56 LTD Weighted Capital Cost Rate (Ln 50 * Ln 53) 57 Preferred Stock Capital Cost Rate (Ln 51 * Ln 54)	2.54% 0.00%	2.73% 0.00%	2.22% 0.00%	1.77% 0.00%	4.56% 0.00%	0.91% 0.00%	
57 Preferred Stock Capital Cost Rate (Ln 51 ° Ln 54) 58 Common Equity Capital Cost Rate (Ln 52 * Ln 55)	0.00% 4.99%	0.00% 6.29%	0.00% 6.09%	0.00% 6.99%	0.00% 4.54%	0.00% 9.50%	0.00% 5.30%
59 Total Company Structure	7.53%	9.02%	8.31%	8.76%	9.10%	10.41%	

AEP East Operating

AEP East Consolidated Utility Capital Structure Consolidation of Operating Companies' Capital Structure @ December 31, 2012 Worksheet Q Page 2

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
<u>Development of Long Term Debt Balances at Year End</u> 60 Bonds (112.18.c&d)	_	_	_	_	_	_	_
61 Less: Reacquired Bonds (112.19.c&d)	_			_	462,500,000		462,500,000
62 LT Advances from Assoc. Companies (112.20.c&d)	-	-	20,000,000	20,000,000	200,000,000	25,000,000	265,000,000
63 Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund	3,709,883,415	1,572,429,608	530,000,000	-	4,130,325,000	-	9,942,638,023
64 Less: Fair Value Hedges (See Note on Ln 66 below)65 Total Long Term Debt Balance	3,709,883,415	1,572,429,608	550,000,000	20,000,000	3,867,825,000	25,000,000	9,745,138,023
66 NOTE: The balance of fair value hedges on outstanding long term debt are to	be excluded from the balance of	long term debt included in the fo	rmula's capital structure	e. (p. 257, Columr	n H of the FF1)		
Development of Long Term Debt Interest Expense							
67 Interest on Long Term Debt Interest Expense	193,138,993	90,701,590	35,048,706	904,000	212,506,228	1,312,500	533,612,017
68 Amort of Debt Discount & Expense (117.63.c)	3,859,577	2,372,191	471,186	-	3,978,647	-	10,681,601
69 Amort of Loss on Reacquired Debt (117.64.c)	1,342,096	1,483,709	33,649	-	1,336,128	-	4,195,582
70 Less: Amort of Premium on Debt (117.65.c)	-	-	-	-	-	-	-
71 Less: Amort of Gain on Reacquired Debt (117.66.c) 72 Less: Hedge Interest on pp 256-257(i)	- 1,619,222	1,712 916,010	- 92,956	-	(2,097,663)		1,712 530,525
73 LTD Interest Expense	196,721,444	93,639,768	35,460,585	904,000	219,918,666	1,312,500	547,956,963
Development of Cost of Preferred Stock and Preferred Dividends							
74 Dividend Rate (p. 250-251. 7.a)	4.50%	4.125%			4.08%		
75 Par Value (p. 250-251. 8.c) 76 Shares Outstanding (p.250-251. 8.e)	\$ 100.00	\$ 100.00			\$ 100.00		
76 Shares Odistanding (p.250-251, 8.e) 77 Monetary Value (Ln 75 * Ln 76)		- -	<u>-</u>	-	-	-	<u>-</u>
78 Dividend Amount (Ln 74 * Ln 77)	-	-	-	-	-	-	-
79 Dividend Rate (p. 250-251. 7.a)		4.12%			4.20%		
80 Par Value (p. 250-251. 8.c)		\$ 100.00			\$ 100.00		
81 Shares Outstanding (p.250-251. 8.e)		-			-		
82 Monetary Value (Ln 80 * Ln 81)	-	-	-	-	-	-	-
83 Dividend Amount (Ln 79 * Ln 82)	-	-	-	-	-	-	-
84 Dividend Rate (p. 250-251. 7.a)		4.56%			4.40%		
85 Par Value (p. 250-251. 8.c)		\$ 100.00			\$ 100.00		
86 Shares Outstanding (p.250-251. 8.e)		-			-		
87 Monetary Value (Ln 85 * Ln 86)	-	-	-	-	-	-	-
88 Dividend Amount (Ln 84 * Ln 87)	<u>-</u>	-	-	-	-	-	-
89 Dividend Rate (p. 250-251. 7.a)					4.50%		
90 Par Value (p. 250-251. 8.c)					\$ 100.00		
91 Shares Outstanding (p.250-251. 8.e) 92 Monetary Value (Ln 90 * Ln 91)					-		
93 Dividend Amount (Ln 89 * Ln 92)	-	- -	- -	-	- -	-	-
·							
94 Preferred Stock (Lns 77, 82, 87,92) 95 Preferred Dividends (Lns 78, 83, 88,93)	-	-	-	-	-	-	-
Development of Common Equity							
96 Proprietary Capital (112.16.c)	3,052,563,357	1,803,774,755	479,610,035	29,956,296	4,489,200,654	90,109,311	9,945,214,408
97 Less: Preferred Stock (Ln 94 Above)	-	-	-	-	-	-	-
98 Less: Account 216.1 (112.12.c)	1,654,344	(104,879)	<u>-</u>	-	2,204,800	-	3,754,265
99 Less: Account 219.1 (112.15.c)	(29,897,592)	(28,884,204)	(408,880)	916	(165,724,552)	(473,816)	
100 Balance of Common Equity	3,080,806,605	1,832,763,838	480,018,915	29,955,380	4,652,720,406	90,583,127	10,166,848,271
Calculation of Capital Shares							
101 Long Term Debt (Ln 65 Above)	3,709,883,415	1,572,429,608	550,000,000	20,000,000	3,867,825,000	25,000,000	9,745,138,023
102 Preferred Stock (Ln 94 Above) 103 Common Equity (Ln 100 Above)	- 3,080,806,605	1,832,763,838	- 480,018,915	- 29,955,380	- 4,652,720,406	- 90,583,127	- 10,166,848,271
104 Total Company Structure	6,790,690,020	3,405,193,446	1,030,018,915	49,955,380	8,520,545,406	115,583,127	19,911,986,294
405 LTD Conital Chance (La 404 / La 404)	E4.000/	40.400/	FO 400/	40.040/	45.000/	04.600/	40.040
105 LTD Capital Shares (Ln 101 / Ln 104) 106 Preferred Stock Capital Shares (Ln 102 / Ln 104)	54.63% 0.00%	46.18% 0.00%	53.40% 0.00%	40.04% 0.00%	45.39% 0.00%	21.63% 0.00%	
107 Common Equity Capital Shares (Ln 103 / Ln 104)	45.37%	53.82%	46.60%	59.96%	54.61%	78.37%	
108 Equity Capital Share Limit	100.00%	100.00%	100.00%	100.00%	51.00%	100.00%	50.00%
109 LTD Capital Shares with Capital Equity Cap	54.63%	46.18%	53.40%	40.04%	49.00%	21.63%	
110 Preferred Stock Capital Shares111 Common Equity Capital Shares with Capital Equity Cap	0.00% 45.37%	0.00% 53.82%	0.00% 46.60%	0.00% 59.96%	0.00% 51.00%	0.00% 78.37%	
<u>Calculation of Capital Cost Rate</u> 112 LTD Capital Cost Rate (Ln 73 / Ln 65)	5.30%	5.96%	6.45%	4.52%	5.69%	5.25%	5.62%
113 Preferred Stock Capital Cost Rate (Ln 73 / Ln 65)	5.30% 0.00%	5.96% 0.00%	0.00%	4.52% 0.00%	5.69% 0.00%	5.25% 0.00%	
114 Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	
Calculation of Weighted Capital Cost Rate							
115 LTD Weighted Capital Cost Rate 115 LTD Weighted Capital Cost Rate (Ln 109 * Ln 112)	2.90%	2.75%	3.44%	1.81%	2.79%	1.14%	2.84%
116 Preferred Stock Capital Cost Rate (Ln 110 * Ln 113)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
117 Common Equity Capital Cost Rate (Ln 111 * Ln 114)	5.21%	6.18%	5.35%	6.89%	5.86%	9.00%	5.69%
118 Total Company Structure	8.11%	8.93%	8.80%	8.70%	8.65%	10.14%	

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

Line Payalanment of Average Long Torm Dobt	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Average Long Term Debt	400 450 000						400 450 000
119 Average Bonds (Ln 1 + Ln 60) / 2	190,150,000	-	-	-	-	-	190,150,000
120 Less: Average Reacquired Bonds (Ln 2 + Ln 61) / 2	-	20,000,000	-	-	461,450,000	-	481,450,000
121 Average LT Advances from Assoc. Companies (Ln 3 + Ln 62) / 2	43,000,000	-	20,000,000	20,000,000	100,000,000	25,000,000	208,000,000
122 Average Senior Unsecured Notes (Ln 4 + Ln 63) / 2	3,722,369,101	1,606,355,375	630,000,000	-	3,532,004,998	-	9,490,729,474
123 Less: Average Fair Value Hedges (See Note on Ln 125 below)	-	-	-	-		-	-
124 Average Balance of Long Term Debt	3,955,519,101	1,586,355,375	650,000,000	20,000,000	3,170,554,998	25,000,000	9,407,429,474
125 NOTE: The balance of fair value hedges on outstanding long term debt are to	be excluded from the balance of l	ong term debt included in the fo	rmula's capital structure	e. (p. 257, Column	H of the FF1)		
Development of 2013 Long Term Debt Interest Expense							
126 Interest on Long Term Debt (256-257.33.i)	185,202,116	92,594,357	35,048,706	904,000	177,049,876	1,312,500	492,111,555
127 Amort of Debt Discount & Expense (117.63.c)	3,337,225	2,814,644	471,186	-	5,807,092	-	12,430,147
128 Amort of Loss on Reacquired Debt (117.64.c)	1,347,335	1,941,251	33,649	-	1,359,637	-	4,681,872
129 Less: Amort of Premium on Debt (117.65.c)	-	-	-	-	-	-	-
130 Less: Amort of Gain on Reacquired Debt (117.66.c)	-	1,712	-	-	-	-	1,712
131 Less: Hedge Interest on pp 256-257(i)	1,558,935	916,010	92,956	-	(2,097,663)	-	470,238
132 2013 LTD Interest Expense	188,327,741	96,432,530	35,460,585	904,000	186,314,268	1,312,500	508,751,624
2013 Cost of Preferred Stock and Preferred Dividends							
133 Average Balance of Preferred Stock (Ln 35 + Ln 94) / 2	-	-	-	-	-	-	-
134 2013 Preferred Dividends (Ln 36)	-	-	-	-	-	-	-
Development of Average Common Equity							
135 Average Proprietary Capital (Ln 37 + Ln 96) / 2	3,141,948,792	1,862,964,339	659,489,763	30,519,073	3,057,232,892	105,167,232	8,857,322,089
136 Less: Average Preferred Stock (Ln 133 Above)	-	-	-	-	-	-	-
137 Less: Average Account 216.1 (Ln 39 + Ln 98) / 2	1,647,039	(100,458)	-	-	3,560,252	-	5,106,834
138 Less: Average Account 219.1 (Ln 40 + Ln 99) / 2	(13,473,191)	(22,196,472)	(2,914,291)	2,106	(79,322,545)	249,195	(117,655,197)
139 Average Balance of Common Equity	3,153,774,944	1,885,261,268	662,404,054	30,516,967	3,132,995,184	104,918,037	8,969,870,452
Calculation of Capital Shares							
140 Average Balance of Long Term Debt (Ln 124 Above)	3,955,519,101	1,586,355,375	650,000,000	20,000,000	3,170,554,998	25,000,000	9,407,429,474
141 Average Balance of Preferred Stock (Ln 133 Above)	-	-	-	-	-	-	-
142 Average Balance of Common Equity (Ln 139 Above)	3,153,774,944	1,885,261,268	662,404,054	30,516,967	3,132,995,184	104,918,037	8,969,870,452
143 Average of Total Company Structure	7,109,294,045	3,471,616,643	1,312,404,054	50,516,967	6,303,550,182	129,918,037	18,377,299,926
144 Average Balance of LTD Capital Shares (Ln 140 / Ln 143)	55.64%	45.70%	49.53%	39.59%	50.30%	19.24%	51.19%
145 Average Balance of Preferred Stock Capital Shares (Ln 141 / Ln 143)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
146 Average Balance of Common Equity Capital Shares (Ln 142 / Ln 143)	44.36%	54.30%	50.47%	60.41%	49.70%	80.76%	48.81%
147 Equity Capital Share Limit	100.00%	100.00%	100.00%	100.00%	51.00%	100.00%	50.00%
148 LTD Capital Shares with Capital Equity Cap	55.64%	45.70%	49.53%	39.59%	50.30%	19.24%	51.19%
149 Preferred Stock Capital Shares	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
150 Common Equity Capital Shares with Capital Equity Cap	44.36%	54.30%	50.47%	60.41%	49.70%	80.76%	48.81%
Calculation of Capital Cost Rate							
151 LTD Capital Cost Rate (Ln 132 / Ln 124)	4.76%	6.08%	5.46%	4.52%	5.88%	5.25%	5.41%
152 Preferred Stock Capital Cost Rate (Ln 134 / Ln 133)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
153 Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
154 LTD Weighted Capital Cost Rate (Ln 148 * Ln 151)	2.65%	2.78%	2.70%	1.79%	2.96%	1.01%	2.77%
155 Preferred Stock Capital Cost Rate (Ln 149 * Ln 152)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
156 Common Equity Capital Cost Rate (Ln 150 * Ln 153)	5.10%	6.24%	5.80%	6.94%	5.71%	9.28%	5.61%
157 ACTUAL WEIGHTED AVG COST OF CAPITAL	7.75%	9.02%	8.50%	8.73%	8.67%	10.29%	8.38%