



**American Electric Power**  
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May 22, 2020

Honorable Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE, Room 1A  
Washington, DC 20426

***Re: American Electric Power Service Corporation on behalf of its affiliate AEP East Operating Companies: Appalachian Power Company; Indiana Michigan Power Company; Kentucky Power Company; Kingsport Power Company; Ohio Power Company; and Wheeling Power Company.***

Docket No. ER20-1886-000, Submission of Filing and Revised Attachment H-14B  
Formula Rates in Compliance with Order No. 864

Dear Secretary Bose:

In compliance with Order No. 864,<sup>1</sup> American Electric Power Service Corporation, (“AEP Service Corporation” or “AEPSC”),<sup>2</sup> on behalf of its affiliate AEP East Operating Companies: Appalachian Power Company; Indiana Michigan Power Company; Kentucky Power Company; Kingsport Power Company; Ohio Power Company; and Wheeling Power Company, (AEPSC and the AEP East Operating Companies may be collectively referred to as “the Company” or “AEP” in this application) submit to the Federal Energy Regulatory Commission (“Commission” or “FERC”) revisions to Attachment H-14B<sup>3</sup> of the PJM Open Access Transmission Tariff (“OATT” or “the Tariff”), to provide the permanent worksheet required by Order No. 864 for AEP as a Transmission Owner (“TO”) in PJM. Consistent with Order No. 864, the Company requests an effective date of January 27, 2020, for these Tariff changes.<sup>4</sup> The Company also provides a populated set of worksheets showing the determination

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<sup>1</sup> *Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes*, Order No. 864, 169 FERC ¶ 61,139 (2019).

<sup>2</sup> Pursuant to Order No. 714, this filing is submitted by PJM Interconnection, L.L.C. (“PJM”) on behalf of Appalachian Power Company, et.al. as part of an XML filing package that conforms with the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, Appalachian Power Company, et.al. has requested PJM submit this compliance filing in the eTariff system as part of PJM’s electronic Intra PJM Tariff.

<sup>3</sup> The AEP East Operating Companies provide service under Attachment H-14; H-14B refers to the formula rate portion of this attachment.

<sup>4</sup> See Order No. 864 at P 100; *Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes*, 84 Fed. Reg. 65281 (Nov. 27, 2019).

and tracking of excess and deficient Accumulated Deferred Income Tax (“ADIT”) resulting from implementation of the Tax Cut and Jobs Act of 2017 (“TCJA”).

In Order No. 864, the Commission directed public utilities with transmission formula rates to revise those rates to include a Rate Base Adjustment Mechanism that will deduct any excess ADIT from, or add any deficient ADIT to, rate base,<sup>5</sup> and include an Income Tax Allowance Adjustment Mechanism that will decrease or increase the income tax components of their transmission formula rates by any amortized excess or deficient ADIT, respectively.<sup>6</sup> The Commission also stated that public utilities that have such provisions in their transmission formula rates can demonstrate that their existing provisions satisfy Order No. 864’s requirements.<sup>7</sup> As described below, the existing Attachment H-14B formula rate already complies with Order No. 864’s requirement to have Rate Base and Income Tax Allowance Adjustment mechanisms, and thus no further changes to these formula rates are necessary. In addition, the permanent worksheet and populated templates filed herein satisfy Order No. 864 remaining requirements. Accordingly, this filing fully satisfies the requirements of Order No. 864 for the Company as a PJM TO.

## **I. BACKGROUND**

### **A. Order No. 864**

Order No. 864 imposes a number of requirements arising from the TCJA. First, Order No. 864 requires each public utility with transmission formula rates to include a Rate Base Adjustment Mechanism in its transmission formula rates to deduct any excess ADIT from, or add any deficient ADIT to, its rate base.<sup>8</sup> The Commission indicated that without this mechanism, transmission formula rates could overstate or understate rate base. This mechanism will ensure that such public utilities offset their rate bases by any unamortized excess or deficient ADIT and maintain rate base neutrality.<sup>9</sup> The Commission added that the Rate Base Adjustment Mechanism must apply to future changes in federal, state, or local tax laws that result in excess or deficient ADIT.<sup>10</sup> The Commission made it clear that, rather than impose specific standards, it will evaluate proposed changes to a public utility’s transmission formula rates intended to comply with Order No. 864 on a case-by-case basis, and that “public utilities may also demonstrate that their formula rates already meet the Rate Base Adjustment Mechanism requirements” of Order No. 864.<sup>11</sup> The Commission also noted that under its previous accounting guidance, public utilities are required to record a regulatory asset (Account 182.3) associated with deficient ADIT or regulatory liability (Account 254) associated with excess ADIT, and that guidance has not changed.<sup>12</sup>

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<sup>5</sup> *Id.* at P 28.

<sup>6</sup> *Id.* at P 42.

<sup>7</sup> *Id.* at PP 30, 43-44.

<sup>8</sup> *Id.* at P 28.

<sup>9</sup> *Id.* at P 28.

<sup>10</sup> *Id.* at P 29.

<sup>11</sup> *Id.* at P 30.

<sup>12</sup> *Id.* at P 31.

Order No. 864 further directs each public utility with transmission formula rates to include an Income Tax Allowance Adjustment Mechanism in its formula rates that decreases or increases the income tax components of its rates by amortized excess or deficient ADIT.<sup>13</sup> As it did with the Rate Base Adjustment Mechanism, the Commission stated it will evaluate proposed Income Tax Allowance Adjustment Mechanisms on a case specific basis, and that public utilities can seek to demonstrate that their existing formula rate mechanisms satisfy this requirement.<sup>14</sup> The Commission stated that public utilities should follow the guidance set forth in the TCJA to determine the period over which excess and deficient ADIT are to be amortized.<sup>15</sup> This means that public utilities should return protected excess ADIT no more rapidly than over the life of the underlying asset using the Average Rate Assumption Method (“ARAM”) or, if its books and underlying records do not contain the vintage account data necessary, it must use an alternative method.<sup>16</sup> The Commission indicated that it will evaluate the amortization periods for unprotected ADIT on a case-specific basis, and that for both protected and unprotected ADIT, the full regulatory liability for excess ADIT should be captured in transmission formula rates, beginning on the effective date of any proposed tariff provision.<sup>17</sup> Order No. 864 further requires each public utility with transmission formula rates to include in its transmission formula rates tariff a new permanent worksheet to track information related to excess and deficient ADIT annually, to provide transparency, and help ensure excess or deficient ADIT is reflected in the public utility’s ATRR.<sup>18</sup> The Commission indicated that this worksheet should include, at a minimum, the following five types of information:

1. how any ADIT accounts were re-measured and the excess or deficient ADIT contained therein;
2. the accounting for any excess or deficient ADIT amounts in Accounts 182.3 (Other Regulatory Assets) and 254 (Other Regulatory Liabilities);
3. whether the excess or deficient ADIT is protected or unprotected;
4. the accounts to which the excess or deficient ADIT is amortized; and,
5. the amortization period of the excess or deficient ADIT being returned or recovered through the rates.<sup>19</sup>

Public utilities with transmission formula rates are also required to provide a populated version of this worksheet.<sup>20</sup> Order No. 864 requires public utilities subject to the rule “to identify each specific source of excess or deficient ADIT, classify the excess or deficient ADIT as protected or unprotected, and list the proposed amortization period associated with each

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<sup>13</sup> *Id.* at P 42.

<sup>14</sup> *Id.* at P 44.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.* at PP 44, 46

<sup>17</sup> *Id.* at PP 34, 44-45.

<sup>18</sup> *Id.* at P 62. In their determination, the Commission ordered that required worksheet to include five categories of information as defined in the NOPR.

<sup>19</sup> *Id.* at P 52. The Commission added that in some instances, there may be unique circumstances that require additional information to be provided. *Id.* at P 66.

<sup>20</sup> *Id.* at P 63.

classification or source in their proposed worksheets,” and provide supporting documentation.<sup>21</sup> The Commission stated it will evaluate the individual permanent workpapers on a case-by-case basis.<sup>22</sup>

While the revised tariff sheets submitted in response to Order No. 864 will become effective January 27, 2020, the date Order No. 864 was published in the Federal Register,<sup>23</sup> the compliance filings required by Order No. 864 are due the later of thirty days after Order No. 864’s effective date, or the date of the public utility’s next annual informational filing following Order No. 864’s issuance. For AEP as a PJM TO, that “later of” date is May 26, 2020, the date the annual informational filing is due.<sup>24</sup>

## **B. PJM, AEP, and Relevant Tariff Provisions**

PJM is a regional transmission organization (“RTO”) that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia.

The AEP East Operating Companies are public utilities as defined in section 201(e) of the Federal Power Act.<sup>25</sup> AEP provides transmission service under the requirements defined in Attachment H-14 of the PJM OATT.

## **II. COMPLIANCE FILNG**

### **A. Attachment H-14B’s Formula Rate Template Already Complies with Order No. 864’s Requirements to Adopt a Rate Base Adjustment Mechanism and an Income Tax Allowance Adjustment Mechanism**

In Order No. 864, the Commission directed public utilities with transmission formula rates to revise these rates to adopt a Rate Base Adjustment Mechanism and an Income Tax Allowance Adjustment Mechanism, but also stated that these public utilities may demonstrate that their existing transmission formula rates meet Order No. 864’s requirements.<sup>26</sup> The currently-effective Attachment H-14B template satisfies these requirements. The Rate Base Adjustment Mechanism is implicitly addressed in the formula rate template via the required adjustment of rate base for ADIT balances related to utility operations. Page 2, lines 48-52, Attachment H-14B’s formula rate template incorporates the balances associated with utility ADIT recorded in Account Nos. 190 and 281-283. The sum of these amounts is reflected on page 2, line 53, and then flows to the total rate base as shown on page 2, line 68. As further explained in section II B.1 below, the amounts input in lines 48-52 will include the balances identified as

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<sup>21</sup> *Id.* At P 65.

<sup>22</sup> *Id.* At P 66.

<sup>23</sup> *Id.* at P 100.

<sup>24</sup> Per the protocols governing AEP’s Attachment H-14, the filing deadline for annual informational filings for a calendar year is May 25<sup>th</sup> of the succeeding year; because that date falls on Memorial Day in 2020, the protocols define the due date as the next business day, or May 26, 2020.

<sup>25</sup> 16 U.S.C. § 824(e).

<sup>26</sup> *Id.* at P 30.

excess and deficient ADIT. Moreover, because this rate formula adjusts for the amounts associated with ADIT recorded in Account Nos. 190 and 281-283, it will adjust rate base to reflect any future federal and state tax rate changes, as required by Order No. 864.

Similarly, the Income Tax Allowance Mechanism has already been incorporated in the formula to allow the amortization of excess ADIT balances to be included in the revenue requirement.<sup>27</sup> This specific adjustment can be found on page 3, line 119 of the formula, while the tax-effected amount that will be included in the total cost of service is presented on line 123. This input will also capture amortization of excess and deficient ADIT arising not only from the TCJA, but from future tax rate changes as well. To properly input the amortization of excess and deficient amounts of ADIT specific to transmission, the Company is requesting to change line 119, Column (5) from a direct assignment to an input, which will facilitate the operation of the Excess worksheet described in the following section.

## **B. AEP's Proposed Worksheet Complies with Order No. 864.**

### **1. Excess and Deficient ADIT Balances Worksheet and the Rate Base Adjustment Mechanism**

Attachment C presents the working compliance version of the proposed permanent worksheet, based on 2018 inputs for each Operating Company.<sup>28</sup> To account for the Excess and Deficient ADIT that arose due to the TCJA, AEP calculated, based on ADIT balances as of December 31, 2017, the remeasurement of ADIT balances by establishing a new ADIT deferral that offsets the amount by which the change in the tax rate decreased other specific deferrals in total. This entry is reflected in the sub-ledger used to track tax deferrals, and does not change the balance of the ADIT subaccount in which such deferrals are recorded.<sup>29</sup> This newly established ADIT deferral served as the basis for an entry in the general ledger that establishes an ADIT contra entry in separate subaccounts that is offset by entries to the regulatory asset or liability accounts as ordered by the Commission.<sup>30</sup> In this way, the Company's Rate Base Adjustment Mechanism meets requirements for rate base neutrality and transparency.<sup>31</sup>

Expanding on the previous paragraph, in Column B of Attachment C, deferred taxes related to utility operations are recorded in ADIT subaccounts that are designated by a "1" in the fourth position of the seven digit account number (for clarity this is shown in red font on the attachment). In addition, in Column C these accounts with the "1" designation are identified as "Accel(erated) Amortization Property", "Utility Property" or "Other Utility Deferrals." The

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<sup>27</sup>American Electric Power Service Corporation submits tariff filing per 35.13(a)(2)(iii): AEP East Submits OATT H-14 Revisions to be effective 1/1/2017 under ER17-405, filed November 22, 2016; approved by the Commission on April, 24, 2018.

<sup>28</sup> This new worksheet will be referred to as Worksheet B-3 in the Company's formula rate.

<sup>29</sup> As part of the re-measurement calculation, the remeasurement ADIT balances in account 1901001 were reclassified to account 2831001 to group non-property utility deferrals together as one timing difference.

<sup>30</sup> *Id* at P 31. In its order the Commission referenced previous accounting guidance which specifically requires the establishment of a regulatory asset (account 182.3) or liability (account 254) to record deficient or excess ADIT balances.

<sup>31</sup> *Id* at PP 28 and 30.

accounts designated with a “1” are the ADIT balances included in the rate base developed in the formula.<sup>32</sup> The ADIT deferral established at the time of remeasurement described above is made in the sub-ledger of these “1” accounts. By establishing these new deferrals, while at the same time having the subaccount total remain unchanged, AEP maintains rate base neutrality by recognizing the excess and deficiency amounts while ensuring that the amount of remeasurement stays in the value used to develop the formula rate base.

To recognize the necessary regulatory entries, and ensure that total ADIT balances reflect the new tax rate, the Company has used separate ADIT subaccounts, designated with a “4” in the fourth position of the subaccount number, and described as “FAS 109” in Column C of the workpaper. These entries record to the ledger the amount of the remeasurement, as a contra-entry to the ADIT remeasurement deferral balance in the “1” subaccount with an offset to the regulatory asset recognized in a subaccount of 182.3 or the regulatory liability recognized in a subaccount of 254.

Finally, the Company has recorded, in account 1904001, the tax gross up associated with these FAS 109 balances as required by the order. None of these “4” accounts are included in the rate base calculation used to determine each Operating Company’s revenue requirement.

Prior to describing the worksheet, it should be noted for background that the preparation of AEP’s formulas requires the reporting of both total company and transmission functional balances to determine the rate base.<sup>33</sup> Therefore, the new worksheet that AEP is submitting for the Commission’s consideration will contain separate sections of information reflecting data on total company and transmission functional bases.

In the worksheet presented in Attachment C, Columns A, B, C, D and E presents line reference numbers, the specific accounts used to track the excess ADIT balances, a description of each account, its status as a protected or unprotected deferral, and the Act that led to the balances for each account. Associating the accounts in the worksheet with the accounting description above, in Column B, lines 1a-1j show the ADIT accounts in which the impacts of the TCJA are recorded, with the fourth position in the account number shown in red font to comport with the description above. In addition, in the “Description of Account” shown in Column C the “1” subaccounts are described as discussed above, and the “4” subaccounts reference FAS 109 in their descriptions. The corresponding transmission functional data is provided in lines 4a-4h.

Columns F, G and H of this worksheets will present the excess balance at remeasurement, amortization methodology, and amortization period of the excess balance, respectively. It is AEP’s intent that the value of the remeasurement in Column F will remain static, and thus allow

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<sup>32</sup> The year-end balances in each of these Utility subaccounts are reported in the FERC Form 1 template for accounts 281, 282, 283 and 190 at page 273.8.k, 275.2.k, 277.9.k, and 234.8.c, respectively. In the PJM Attachment H-14B, on page 2 of 5 of the non-levelized formula rate, these same references are given as the source of ADIT balances on lines 19 through 22 of Column (e).

<sup>33</sup> AEP maintains functional accounting ledgers for each vertically integrated utility in its system. The six AEP East Operating Companies that utilize the Attachment H-14B formula utilize their transmission functional books to identify the balance of ADIT that is incorporated in its functional rate base.

comparison of the beginning or ending balances in any given year to the value originally determined at the time of the initial remeasurement. The Company uses the ARAM method to amortize protected excess ADIT and is amortizing unprotected excess ADIT over 10 years beginning January 1, 2018. The Company's 10-year amortization period for unprotected excess ADIT for its PJM revenue requirement was agreed upon by the Company and its customers and approved by FERC.<sup>34</sup>

Columns I & J demonstrate the period beginning balances of the FAS 109 and Utility ADIT balances. Column I presents the amounts of FAS 109 tax deferrals related to the rate decrease, and the related tax gross up. In the lines described as the "Regulatory Deferral Accounts" the offset balances in accounts 254 and 182.3 are presented, and subsequent totals in rows three and six showing these balances offset in total. Column J presents the balances of the ADIT Utility deferrals, providing transparency and differentiating between the balances required to maintain rate base neutrality and the balances necessary to record the regulatory obligations or benefits arising from the TCJA.

Columns K, L and M present the entries to the balance sheet as these amounts are amortized. The reclassification column is there in case it is needed to reflect balance sheet adjustments. The columns identified as 182.3 and 254 represent the amortization of the balances in the FAS 109 ADIT accounts to the regulatory deferral accounts and the amortization of the related tax gross up. In the lines for the Regulatory Deferral Accounts, the net offset of the entries made to the FAS 109 ADIT accounts are presented. This presentation therefore allows a reviewer to determine how the change in those regulatory accounts relate to entries made to the FAS 109 ADIT accounts, a further transparency benefit.

Columns N and O represent the tax expense entries that arise out of accounting for the TCJA. Column N presents the amortization of the timing difference created by the remeasurement. The amortization included in Column N will be to the FERC 410/411 accounts and the total of these entries will be included in the amount reported in the Income Tax Allowance Adjustment Mechanism that is incorporated in the PJM Attachment – H-14B formula at page 3, line 119, column (3). In the transmission functional section of this workpaper, the total amount in Column N, on line 6, will support the amount of the Income Tax Allowance Adjustment that will be reported at page 3, line 119, column (5).<sup>35</sup> Column O of the worksheet will be used to record non-amortization entries to deferred tax expense that will not flow to the formula because of the formula's use of a statutory tax rate mechanism to determine tax expense.

Finally, columns P and Q, similar to I and J, will present the ending balances of each account. Column R presents references to other sections in the formula or to reported balances in the FERC Form 1, as indicated. One of the benefits of this workpaper design is that both the beginning and end-of-period balance information provided herein is intended to tie to worksheets supporting ADIT balances that the Attachment H-14B already requires the Company to

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<sup>34</sup> *Appalachian Power Company, et al*, 166 FERC ¶ 61,135 (2019).

<sup>35</sup> In this application the Company is also proposing to correct the formula rate to indicate that line 119, column (5) is a direct input to the formula by revising the shading to indicate as much.

incorporate in its annual information filings. For purposes of demonstrating the relationship of these workpapers the Company has included a copy of them from each AEP East Operating Company's 2018 formula true-up as Attachment C-1 to this filing.<sup>36</sup>

This worksheet is scalable to reflect the additional excess or deficient ADIT and regulatory balances by adding lines to capture the new ADIT and regulatory subaccounts that would be necessary to track additional detail reflecting that change. In addition, in the event of a new change in tax rates the legislative Act that supports that new rate would be referenced in Column E for new subaccounts added to track that change.

## **2. ADIT Remeasurement**

The remeasurement of ADIT from a 35% to 21% statutory tax rate was calculated as of December 31, 2017 by applying the percentage change in the tax rate (40%) to the balance of each timing difference that makes up the total ADIT balances.<sup>37</sup> The sum total of each of these changes for each ADIT account was then used to establish a new timing difference that represents the excess or deficient ADIT associated with each ADIT account. This is shown in each Company's deferral information provided in Attachment C-1.

The amount of the remeasurement for each ADIT account is provided in Attachment D to this application. A page showing the amount of remeasurement on both a total company and functional transmission basis is provided for each Operating Company included in this application. The total remeasurement value will support that same value as reported in Column F of Attachment C. The Company is proposing that instead of including this remeasurement as a permanent worksheet in the formula rate, the calculation would be provided as a supporting workpaper to be included in the informational filing for any year in which a tax rate change was made. It is the Company's expectation that this worksheet would simply serve as support for beginning excess or deficient amounts presented in the Column F as described in the previous section of this application.

In the event of a subsequent tax rate change that remeasurement to the new tax rate would be documented in a similar worksheet that would address the specifics of the calculation at that time. This would also be included in the informational filing based on the year the change was made.<sup>38</sup>

## **III. EFFECTIVE DATE**

Consistent with Order No. 864, the Company requests an effective date of January 27, 2020 for the Tariff revisions contained herein. The Company requests that the Commission

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<sup>36</sup> To demonstrate this, the Company has highlighted the specific tax deferral balances in Attachment C-1 that are being tracked on Attachment C.

<sup>37</sup> For some Companies the remeasurement of an individual account may not equal 40% of the December 31, 2017 deferral balance because of specific ADIT items that are not subject to remeasurement.

<sup>38</sup> For instance, if tax rates were changed effective in 2021, the Remeasurement Workpaper would be provided in the filing made for rate year 2022 that is based on 2021 information.



grant any and all waivers of the Commission's rules and regulations that are necessary for acceptance of this filing.

#### **IV. DOCUMENTS SUBMITTED WITH THIS FILING**

In addition to this transmittal letter, the documents submitted in this filing are:

Attachment A – Revised Attachment H-14B Part I Tariff Sheets (clean);

Attachment B – Revised Attachment H-14B Part I Tariff Sheets (redline);

Attachment C – Populated Excess/Deficient ADIT Worksheet for each AEP East Operating Company (in Excel);

Attachment C-1 – Supporting Detail of ADIT balances for each AEP East Operating Company; and,

Attachment D – Populated Supplemental Remeasurement Worksheet for each of the AEP East Operating Companies.

#### **V. COMMUNICATIONS**

The Company requests that the Commission place the following individuals on the official service for this proceeding:

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#### **VI. SERVICE**

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,<sup>39</sup> PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <http://www.pjm.com/documents/ferc->

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<sup>39</sup> See 18C.F.R §§ 35.2(e) and 385.2010(f)(3).

[manuals/ferc-filings.aspx](#) with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region<sup>40</sup> alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

## VII. CONCLUSION

For the reasons stated above, the Company requests that the Commission accept the proposed Tariff sheets being filed herein to be effective January 27, 2020, and find that AEP is in compliance with Order No. 864.

Respectfully submitted,

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*Counsel for American Electric Power  
Service Corporation*

Dated: May 22, 2020

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<sup>40</sup> PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

ATTACHMENT A  
REVISED ATTACHMENT H-14B Part 1 (CLEAN TARIFF)

ATTACHMENT H-14B  
BLANK FORMULA TEMPLATE - CLEAN

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

For Twelve Months Ended

COMPANY NAME HERE

Line No.			Transmission	Amount
1	REVENUE REQUIREMENT (w/o incentives)	(ln 130)		\$0
			<u>Total</u> <u>Allocator</u>	
2	REVENUE CREDITS	(Worksheet E ln 8) (Note A)	-      DA      1.00000	<u>\$ -</u>
3	Facility Credits under PJM OATT Section 30.9	(Worksheet E ln 9) (Note X)		<u>\$ -</u>
4	REVENUE REQUIREMENT For All Company Facilities	(ln 1 less ln 2 plus ln 3)		\$ -
<b>MEMO: The Carrying Charge Calculations on lines 7 to 12 below are used in calculating project revenue requirements billed through PJM Schedule 12, Transmission Enhancement Charges. The total non-incentive revenue requirements for these projects shown on line 5 is included in the total on line 4.</b>				
5	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet J/K)		-      DA      1.00000	\$ -
6	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)			
7	Annual Rate	$((\ln 1 - \ln 95)/((\ln 42) \times 100))$		0.00%
8	Monthly Rate	$(\ln 7 / 12)$		0.00%
9	NET PLANT CARRYING CHARGE ON LINE 7, w/o depreciation or ROE incentives (Note B)			
10	Annual Rate	$((\ln 1 - \ln 95 - \ln 100) / ((\ln 42) \times 100))$		0.00%
11	NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B)			
12	Annual Rate	$((\ln 1 - \ln 95 - \ln 100 - \ln 125 - \ln 126) / ((\ln 42) \times 100))$		0.00%
13	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J/K)			-
14	<b>REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES</b>			
15	Total Load Dispatch & Scheduling (Account 561)	Line 75 Below		-
16	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)			-
17	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)			-
18	Total 561 Internally Developed Costs	(Line 15 - Line 16 - Line 17)		-

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

	(1)	(2)	(3)	(4)	(5)
Line No.	<u>RATE BASE CALCULATION</u>	<u>Data Sources</u> (See "General Notes")	<u>TO Total</u>	<u>Allocator</u>	<u>Total Transmission</u>
			NOTE C		
19	GROSS PLANT IN SERVICE				
19	Production	(Worksheet A ln 14.(b))	-	NA	0.00000 -
20	Less: Production ARO (Enter Negative)	(Worksheet A ln 14.(c))	-	NA	0.00000 -
21	Transmission	(Worksheet A ln 14.(d) & TCOS Ln 134)	-	DA	-
22	Less: Transmission ARO (Enter Negative)	(Worksheet A ln 14.(e))	-	TP	0.00000 -
23	Distribution	(Worksheet A ln 14.(f))	-	NA	0.00000 -
24	Less: Distribution ARO (Enter Negative)	(Worksheet A ln 14.(g))	-	NA	0.00000 -
25	General Plant	(Worksheet A ln 14.(h))	-	W/S	0.00000 -
26	Less: General Plant ARO (Enter Negative)	(Worksheet A ln 14.(i))	-	W/S	0.00000 -
27	Intangible Plant	(Worksheet A ln 14.(j))	-	W/S	0.00000 -
28	TOTAL GROSS PLANT	(sum lns 19 to 27)	-	<b>GP=</b>	<b>0.000000</b> -
				<b>GTD=</b>	<b>-</b>
29	ACCUMULATED DEPRECIATION AND AMORTIZATION				
30	Production	(Worksheet A ln 28.(b))	-	NA	0.00000 -
31	Less: Production ARO (Enter Negative)	(Worksheet A ln 28.(c))	-	NA	0.00000 -
32	Transmission	(Worksheet A ln 28.(d) & ln 43.(e))	-	<b>TP1=</b>	<b>0.00000</b> -
33	Less: Transmission ARO (Enter Negative)	(Worksheet A ln 28.(e))	-	<b>TP1=</b>	<b>0.00000</b> -
34	Distribution	(Worksheet A ln 28.(f))	-	NA	0.00000 -
35	Less: Distribution ARO (Enter Negative)	(Worksheet A ln 28.(g))	-	NA	0.00000 -
36	General Plant	(Worksheet A ln 28.(h))	-	W/S	0.00000 -
37	Less: General Plant ARO (Enter Negative)	(Worksheet A ln 28.(i))	-	W/S	0.00000 -
38	Intangible Plant	(Worksheet A ln 28.(j))	-	W/S	0.00000 -
39	TOTAL ACCUMULATED DEPRECIATION	(sum lns 30 to 38)	-		-
40	NET PLANT IN SERVICE				
41	Production	(ln 19 + ln 20 - ln 30 - ln 31)	-		-
42	Transmission	(ln 21 + ln 22 - ln 32 - ln 33)	-		-
43	Distribution	(ln 23 + ln 24 - ln 34 - ln 35)	-		-
44	General Plant	(ln 25 + ln 26 - ln 36 - ln 37)	-		-
45	Intangible Plant	(ln 27 - ln 38)	-		-
46	TOTAL NET PLANT IN SERVICE	(sum lns 41 to 45)	-	<b>NP=</b>	<b>0.000000</b> -
47	DEFERRED TAX ADJUSTMENTS TO RATE BASE (Note D)				
48	Account No. 281.1 (enter negative)	(Worksheet B, ln 2 & ln 5.E)	-	NA	-
49	Account No. 282.1 (enter negative)	(Worksheet B, ln 7 & ln 10.E)	-	DA	-
50	Account No. 283.1 (enter negative)	(Worksheet B, ln 12 & ln 15.E)	-	DA	-
51	Account No. 190.1	(Worksheet B, ln 17 & ln 20.E)	-	DA	-
52	Account No. 255 (enter negative)	(Worksheet B, ln 24 & ln 25.E)	-	DA	-
53	TOTAL ADJUSTMENTS	(sum lns 48 to 52)	-		-
54	PLANT HELD FOR FUTURE USE	(Worksheet A ln ln 44.(e) & ln 45.(e))	-	DA	-
55	REGULATORY ASSETS	(Worksheet A ln 51.(e))	-	DA	-
56	UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y)	(Worksheet A ln 54.(e))		W/S	-
57	WORKING CAPITAL	(Note E)			
58	Cash Working Capital	(1/8 * ln 78)	-		-
59	Transmission Materials & Supplies	(Worksheet C, ln 2.(F))	-	TP	0.00000 -
60	A&G Materials & Supplies	(Worksheet C, ln 3.(F))	-	W/S	0.00000 -
61	Stores Expense	(Worksheet C, ln 4.(F))	-	GP	0.00000 -
62	Prepayments (Account 165) - Labor Allocated	(Worksheet C, ln 8.G)	-	W/S	0.00000 -
63	Prepayments (Account 165) - Gross Plant	(Worksheet C, ln 8.F)	-	GP	0.00000 -
64	Prepayments (Account 165) - Transmission Only	(Worksheet C, ln 8.E)	-	DA	1.00000 -
65	Prepayments (Account 165) - Unallocable	(Worksheet C, ln 8.D)	-	NA	0.00000 -
66	TOTAL WORKING CAPITAL	(sum lns 58 to 65)	-		-
67	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, ln 8.B)	-	DA	1.00000 -
68	RATE BASE (sum lns 46, 53, 54, 55, 56, 66, 67)		-		-

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

	(1)	(2)	(3)	(4)	(5)
	<b>EXPENSE, TAXES, RETURN &amp; REVENUE</b>		<b>Data Sources</b>		<b>Total</b>
	<u>REQUIREMENTS</u>	<u>(See "General Notes")</u>	<u>TO Total</u>	<u>Allocator</u>	<u>Transmission</u>
Line	<u>CALCULATION</u>				
No.	<b>OPERATION &amp; MAINTENANCE EXPENSE</b>				
69	Production	321.80.b			
70	Distribution	322.156.b			
71	Customer Related				
71	Expense	322 & 323.164,171,178.b			
72	Regional Marketing Expenses	322.131.b			
73	Transmission	321.112.b			
	<b>TOTAL O&amp;M</b>				
74	<b>EXPENSES</b>	(sum lns 69 to 73)	-		
	Less: Total Account				
75	561	(Note G) (Worksheet F, ln 14.C)	-		
76	Less: Account 565	(Note H) 321.96.b			
	Less: Regulatory Deferrals &				
77	Amortizations	(Note I) (Worksheet F, ln 4.C)	-		
	<b>Total O&amp;M Allocable to</b>				
78	<b>Transmission</b>	(lns 73 - 75 - 76 - 77)	-	TP	0.00000 -
	Administrative and				
79	General	323.197.b (Notes J and M)			
80	Less: Acct. 924, Property Insurance	323.185.b			
	Acct. 9260039 PBOP				
81	Expense	PBOP Worksheet O Line 9 & 10, (Note K)			
82	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)			
	PBOP Expense Billed From				
83	AEPSC	PBOP Worksheet O Line 13, (Note K)			
84	Acct. 928, Reg. Com. Exp.	323.189.b			
85	Acct. 930.1, Gen. Advert. Exp.	323.191.b			
86	Acct. 930.2, Misc. Gen. Exp.	323.192.b			
87	Balance of A & G	(ln 79 - sum ln 80 to ln 86)	-	W/S	0.00000 -
88	Plus: Acct. 924, Property Insurance	(ln 80)	-	GP	0.00000 -
89	Acct. 928 - Transmission Specific	Worksheet F ln 20.(E) (Note L)	-	TP	0.00000 -
90	Acct 930.1 - Only safety related ads -Direct	Worksheet F ln 37.(E) (Note L)	-	TP	0.00000 -
91	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F ln 43.(E) (Note L)	-	DA	1.00000 -
92	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C (Note M)			
93	A & G Subtotal	(sum lns 87 to 92)	-		
	<b>O &amp; M EXPENSE</b>				
94	<b>SUBTOTAL</b>	(ln 78 + ln 93)	-		
95	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)				
	<b>TOTAL O &amp; M</b>				
96	<b>EXPENSE</b>	(ln 94 + ln 95)	-		
97	<b>DEPRECIATION AND AMORTIZATION EXPENSE</b>				
98	Production	336.2-6.f		NA	0.00000 -
99	Distribution	336.8.f		NA	0.00000 -
100	Transmission	336.7.f		TP1	0.00000 -
101	General	336.10.f		W/S	0.00000 -
102	Intangible	336.1.f		W/S	0.00000 -
	<b>TOTAL DEPRECIATION AND</b>	(Ln 98+99+			
103	<b>AMORTIZATION</b>	100+101+102)	-		
	<b>TAXES OTHER THAN</b>				
104	<b>INCOME</b>	(Note N)			
	Labor Related				
106	Payroll	Worksheet H ln 24.(D)	-	W/S	0.00000 -
	Plant Related				
108	Property	Worksheet H-1 ln 3.(C) & 3.(G)	-	DA	0
109	Gross Receipts/Sales & Use	Worksheet H ln 24.(F)	-	NA	0.00000 -
110	Other	Worksheet H ln 24.(E)	-	GP	0.00000 -
	<b>TOTAL OTHER</b>				
111	<b>TAXES</b>	(sum lns 106 to 110)	-		
112	<b>INCOME TAXES</b>	(Note O)			
113	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%		
114	$EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =$		0.00%		
115	where WCLTD=(ln 154) and WACC = (ln 157)				
116	and FIT, SIT & p are as given in Note O.				
117	$GRCF=1 / (1 - T) =$ (from ln 113)		-		

118	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	-			
119	Excess Deferred Income Tax	(Note U)	-	DA		-
120	Tax Effect of Permanent and Flow-Through Differences	(Note U)	-	DA	1.00000	-
121	Income Tax Calculation	(ln 114 * ln 126)	-			-
122	ITC adjustment	(ln 117 * ln 118)	-	GP	0.00000	-
123	Excess Deferred Income Tax	(ln 117 * ln 119)	-			-
124	Tax Effect of Permanent and Flow-Through Differences	(ln 117 * ln 120)	-			-
125	TOTAL INCOME TAXES	(sum lns 121 to 124)	-			-
126	RETURN ON RATE BASE (Rate Base*WACC)	(ln 68 * ln 157)	-			-
127	INTEREST ON IPP CONTRIBUTION FOR CONST.	(Note F) (Worksheet D, ln 2.(B))	-	DA	1.00000	-
128	(Gains) / Losses on Sales of Plant Held for Future Use	(Worksheet N, ln 4, Cols. ((F) & (H))				-
129	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use	(ln 128 * ln 114)				-
130	TOTAL REVENUE REQUIREMENT	(sum lns 96, 103, 111, 125, 126, 127, 128, 129)				-

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

ln	TRANSMISSION PLANT INCLUDED IN PJM TARIFF			
No.				
131	Total transmission plant	(ln 21)	-	
132	Less transmission plant excluded from PJM Tariff	(Worksheet A, ln 42, Col. (d)) (Note P)	-	
133	Less transmission plant included in OATT Ancillary Services	(Worksheet A, ln 42, Col. (b)) (Note Q)	-	
134	Transmission plant included in PJM Tariff	(ln 131 - ln 132 - ln 133)	-	
135	Percent of transmission plant in PJM Tariff	(ln 134 / ln 131)	<b>TP =</b>	<b>0.00000</b>

			Payroll Billed from AEP Service Corp.			
136	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Total		
137	Production	354.20.b	-		N 0.0000	
138	Transmission	354.21.b	-		A 0	-
139	Regional Market Expenses	354.22.b	-		T 0.0000	
140	Distribution	354.23.b	-		P 0	-
141	Other (Excludes A&G)	354.24,25,26.b	-		N 0.0000	
142	Total	(sum lns 137 to 141)	0	0	A 0	-

143 Transmission related amount **W/S= 0.00000**

144	WEIGHTED AVERAGE COST OF CAPITAL (WACC)					\$
145	Long Term Interest	(Worksheet M, ln. 37, col. (d))				-
146	Preferred Dividends	(Worksheet M, ln. 71)				-
147	<u>Development of Common Stock:</u>					
148	Proprietary Capital	(Worksheet M, ln. 14, col. (b))				
149	Less: Preferred Stock	(Worksheet M, ln. 14, col. (c))				
150	Less: Account 216.1	(Worksheet M, ln. 14, col. (d))				
151	Less: Account 219	(Worksheet M, ln. 14, col. (e))				

		<u>Capital Structure Limit</u>			Cost	
		\$	Actual	Cap	(Note	Weighted
				Limit	S)	
152	Common Stock (ln 148 - ln 149 - ln 150 - ln 151)					-
153						
154	Long Term Debt (Note T) Worksheet M, ln 28, col. (g), ln 38, col. (d))	-	0.00%	0.00%	-	0.0000
155	Preferred Stock (ln 149)	-	0.00%	0.00%	-	0.0000
156	Common Stock (ln 152)	-	0.00%	0.00%	10.35%	0.0000
157	Total (Sum lns 154 to 156)	-			<b>WACC=</b>	<b>0.0000</b>
158.	Capital Structure Equity Limit (Note Z)		55%			



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

**Letter Notes**

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

- A Revenue credits include:  
1) Forfeited Discounts.  
2) Miscellaneous Service Revenues.  
3) Rental revenues earned on assets included in the rate base.  
4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.  
5) Other electric revenues.  
6) Revenues for grandfathered PTP contracts included in the load divisor.  
7) If AEP East companies have any directly assigned transmission facilities, the revenue credits in the AEP East formula rate shall include all revenues associated with those directly assigned transmission facilities, irrespective of whether the loads of the customer are included in the formula rate divisor; provided however, such addition to revenue credits shall not be reflected if the costs of such directly assigned transmission facilities are not included in the transmission plant balances on which the formula rate ATRR is based.  
See Worksheet E for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's. Interest will be calculated based on Worksheet Q and any over under recovery will be filed and posted as part of the informational filing.
- C Transmission Plant Balances in this study are projected or actual average 13-month balances.
- D The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow through and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking the calculation of ADIT in the annual projection will be performed in accordance with IRS regulation Section 1.167(I)-I(h)(6)(ii). RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B. The company will not include the ADIT portion of deferred hedge gains and losses in rate base. Detailed balances for the projected or actual period, distinguished between utility and non-utility balances, will be filed and posted as part of the information filing.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 78. It excludes:  
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 75.  
2) Costs of Transmission of Electricity by Others, as described in Note H.  
3) The impact of state regulatory deferrals and amortizations, as shown on line 77  
4) All A&G Expenses, as shown on line 93.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 67 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 127.
- G Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 16 & 17 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- H Removes cost of transmission service provided by others to determine the basis of cash working capital on line 78. To the extent such service is incurred to provide the PJM service at issue, e.g. lease payments to affiliates, such cost is added back on line 95 to determine the total O&M collected in the formula. The amount on line 95 is also excluded in the calculation of the FCR percentage calculated on lines 6 through 12. The addbacks on line 95 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity. The company records referenced on line 95 is the COMPANY NAME HERE general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from Transmission O&M expense.
- J General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K These deductions on lines 81 through 83 are to remove from the cost of service the expenses recorded by the company for Postemployment Benefits Other than Pensions (PBOP). See Note M below for the recoverable PBOP expense.
- L Expenses recorded in FERC Accounts 928 (Regulatory Commission Expense), 930.1 (Safety Related Advertising) and 930.2 (Miscellaneous General Expenses) that are not directly related to or properly allocable to transmission service will be removed from the TCOS. If AEP includes any expenses booked to these accounts in future ATRR updates, AEP must provide supporting information demonstrating that the underlying activities are directly related to providing transmission service. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M See note K above. Per the settlement in Docket ER08-1329, recoverable PBOP expense is based on an annual total for the operating companies that is ratioed to them based on the total of actual annual PBOP costs, including charges from the AEP Service Corporation. The calculation of the recoverable amount for each company is shown on Worksheet O.
- N Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
- O The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT.  
A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f).  
(ln 118) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.  
Inputs Required: FIT = 0.00%  
SIT= 0.00% (State Income Tax Rate or Composite SIT. Worksheet G))  
p = 0.00% (percent of federal income tax deductible for state purposes)
- The formula rate shall reflect the applicable state and federal statutory tax rates in effect during the period the calculated estimated unit charges are applicable. If the statutory tax rates change during such period, the effective tax rates used in the formula shall be weighted by the number of days the pre-change rate and post-change rate each is in effect.
- P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- S Long Term Debt cost rate = long-term interest (ln 145) /average long term debt (ln 154). Preferred Stock cost rate = preferred dividends (ln 146) / preferred outstanding (ln 155). Common Stock cost rate (ROE) = 10.35%, per the settlement in FERC Docket No. EL17-13. It includes an additional 50 basis points for PJM RTO membership. The amount of eligible hedging gains or losses included in total interest expense is limited to five basis points of the capital structure. Details and calculations of the weighted average cost of capital are shown on Worksheet M. Eligible Hedging Gains and Losses are computed on Worksheet M. The unamortized balance of eligible hedge gains/losses and related ADIT amounts shall not flow through the formula rate.
- T The Long Term Debt balance for I&M includes the accumulated balance of principle and related interest for Spent Nuclear Fuel Disposal Costs collected prior to April 7, 1983. This total balance of \_\_\_\_\_ at 12/31/\_\_\_ is not included in the balance in line 154 above. The cost rates for long-term debt shall include interest expense and related periodic expenses (such as remarketing and letter of credit fees) as recorded in FERC Account 427 or 430, amortization of issuance costs (including insurance) and discounts as recorded in FERC Account 428, issuance premiums as recorded in FERC Account 429 and losses or gains on reacquired debt as recorded in FERC Accounts 428.1 or

429.1, respectively. The cost rates for preferred stock (if applicable) shall include the dividends.

- U Excess / (Deficit) Deferred Income Taxes will be amortized over the average remaining life of the assets to which it relates, unless the Commission requires a different amortization period. The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State tax calculations that are not the result of a timing difference, including but not limited to depreciation related to capitalized AFUDC equity and meals and entertainment deductions. The Tax Effect of Flow-Through differences captures current tax expense related to timing differences on items for which tax deductions were used to reduce customer rates through the use of flow-through accounting in a prior period. Transmission balances for the projected or actual period, will be filed and posted as part of the informational filing.
- V Cash investment in prepaid pension and benefits recorded in FERC Account 165 is permitted to be included in the formula. A labor expense allocation factor will be used to allocate total company costs. All other prepayments recorded in FERC Account 165 are directly assigned to the transmission function, allocated or excludable balances detailed on Worksheet C.
- W The formula rate shall allocate property tax expense based on the as filed net plant cost allocation method detailed on Worksheet H.
- X Under Section 30.9 of the PJM OATT, a network customer that owns existing transmission facilities that are integrated with the Transmission Provider's Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. Calculation of any credit under this subsection, pursuant to approval by FERC for inclusion in this formula rate for collection on behalf of the network customer, shall be addressed in either the Network Customer's Service Agreement or any other agreement between the parties.
- Y The cost of service will make a rate base adjustment to remove unfunded reserves associated with contingent liabilities recorded to Accounts 228.1-228.4 from rate base.
- Z Per the settlement in EL17-13, equity is limited to 55% of the Company's capital structure. If the percentage of actual equity exceeds the cap, the excess is included as long term debt in the capital structure.

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet A Rate Base  
 Company Name Here

		Gross Plant In Service								
Line No	Month	Production	Production ARO	Transmission	Transmission ARO	Distribution	Distribution ARO	General	General ARO	Intangible
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	<b>(Note A)</b>	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 46	FF1, page 205&204, Col.(g)&(b), Ins 15,24,34,44	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 58	Acct. 359.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), In 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 75	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 74	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 99	Acct. 399.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), In 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 5
1	December Prior to Rate Year									
2	January									
3	February									
4	March									
5	April									
6	May									
7	June									
8	July									
9	August									
10	September									
11	October									
12	November									
13	December of Rate Year									
14	Average of the 13 Monthly Balances	-	-	-	-	-	-	-	-	-

		Accumulated Depreciation								
Line No	Month	Production	Production ARO	Transmission	Transmission ARO	Distribution	Distribution ARO	General	General ARO	Intangible
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	<b>(Note A)</b>	FF1, page 219, Ins 20-24, Col. (b)	Company Records (Included in total in Column (b))	FF1, page 219, In 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, In 26, Col. (b)	Company Records (Included in total in Column (f))	FF1, page 219, In 28, Col. (b)	Company Records (Included in total in Column (h))	FF1, page 200, In 21, Col. (b)
15	December Prior to Rate Year									
16	January									
17	February									
18	March									
19	April									
20	May									
21	June									
22	July									
23	August									
24	September									
25	October									
26	November									
27	December of Rate Year									
28	Average of the 13 Monthly Balances	-	-	-	-	-	-	-	-	-

Line No	Month	OATT Ancillary Services (GSU) Plant In Service	OATT Ancillary Services (GSU) Accumulated Depreciation	Excluded Plant - Plant In Service	Excluded Plant - Accumulated Depreciation
	(a)	(b)	(c)	(d)	(e)
	<b>(Note A)</b>	Company Records (included in total in column (d) of gross plant above)	Company Records (included in total in column (b) of accumulated depreciation above)	Company Records	Company Records
29	December Prior to Rate Year				
30	January				
31	February				
32	March				
33	April				
34	May				
35	June				
36	July				
37	August				
38	September				
39	October				
40	November				
41	December of Rate Year				

42	Average of the 13 Monthly Balances	-	-	-	-
----	------------------------------------	---	---	---	---

43 Transmission Accum Depreciation net of GSU -

<u>Plant Held For Future Use</u>		<u>Source of Data</u>	<u>Balance @ December 31, 2017</u>	<u>Balance @ December 31, 2016</u>	<u>Average Balance for 2017</u>
(a)	(b)	(c)	(d)	(e)	
44	<u>Plant Held For Future Use</u>	FF1, page 214, ln 47, Col. (d)	-	-	-
45	<u>Transmission Plant Held For Future Use (Included in total on line 44)</u>	Company Records - Note 1	-	-	-

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

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

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

**Unfunded Reserves Summary (Company Records)**

	<u>Description</u>	<u>Account</u>			
52					
53a					-
53b					-
54		Total	-	-	-

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

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet B Supporting ADIT and ITC Balances  
 COMPANY NAME HERE

Line Number	(A) Description	(B) Source	(C) Balance @ December 31, Rate Year	(D) Balance @ December 31, Rate Year-1	(E) Average Balance for Rate Year
1	<b><u>Account 281</u></b>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, Col. (k)			-
3	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 4 (Note 1)			-
4	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 3 (Note 1)			-
5	Transmission Related Deferrals	Ln 2 - ln 3 - ln 4	-	-	-
6	<b><u>Account 282</u></b>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, ln 5, Col. (k)			-
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)			-
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)			-
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	-	-	-
11	<b><u>Account 283</u></b>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, ln 9, Col. (k)			-
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)			-
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)			-
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	-	-	-
16	<b><u>Account 190</u></b>				
17	Year End Utility Deferrals	FF1, p. 234, ln 8, Col. (c)			-
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)			-
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)			-
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	-	-	-
21	<b><u>Account 255</u></b>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)			-
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1			-
24	ITC Balances Includeable Ratebase	Ln 22 - ln 23	-	-	-
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)			-

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

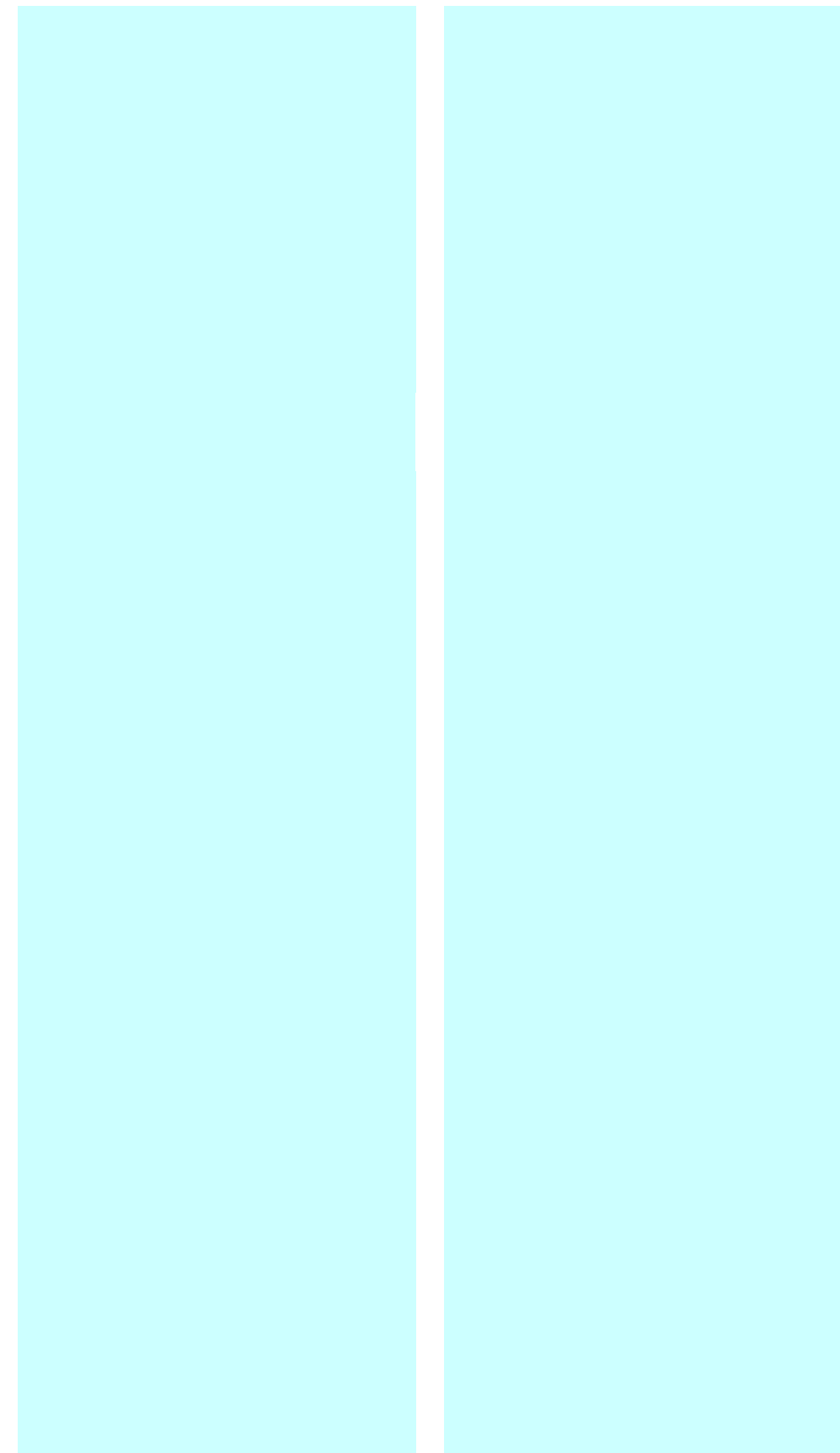
NOTE 1

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

Company Name Here  
 SPECIFIED DEFERRED CREDITS -  
 Actual Cycle Only  
 PERIOD ENDED DECEMBER 31, 2017

COLUMN A						(DEBIT) CREDIT									
	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O	
	PER BOOKS		NON- APPLICABLE/NON- UTILITY		AVERAGE ELECTRIC UTILITY (B+C+D+E) /2	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2016			FUNCTIONALIZATION 12/31/2017			
	BALANC E AS OF 12-31- 2016	BALANC E AS OF 12-31- 2017	BALANCE AS OF 12-31- 2016	BALANCE AS OF 12-31- 2017		GENERA TION	TRANSMI SSION	DISTRIBU TION	GENERA TION	TRANSMI SSION	DISTRIBU TION	GENERA TION	TRANSMI SSION	DISTRIBU TION	
1.0 0 ACCOUNT 281:															
2.0 1															
2.0 2	0	0			0	0	0	0							
2.0 3															
2.0 4	0	0	0	0	0										
2.0 5	0	0	0	0	0										
2.0 6	0	0	0	0	0										
3 TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
5 ACCOUNT 282:															
5.0 1	0	0			0	0	0	0							
5.0 2	0	0			0	0	0	0							

5.0 3	0	0	0	0	0	0
5.0 4	0	0	0	0	0	0
5.0 5	0	0	0	0	0	0
5.0 6	0	0	0	0	0	0
5.0 7	0	0	0	0	0	0
5.0 8	0	0	0	0	0	0
5.0 9	0	0	0	0	0	0
5.1 0	0	0	0	0	0	0
5.1 1	0	0	0	0	0	0
5.1 2	0	0	0	0	0	0
5.1 3	0	0	0	0	0	0
5.1 4	0	0	0	0	0	0
5.1 5	0	0	0	0	0	0
5.1 6	0	0	0	0	0	0
5.1 7	0	0	0	0	0	0
5.1 8	0	0	0	0	0	0
5.1 9	0	0	0	0	0	0
5.2 0	0	0	0	0	0	0
5.2	0	0	0	0	0	0



1										
5.2 2	0	0		0	0	0	0			
5.2 3	0	0		0	0	0	0			
5.2 4	0	0		0	0	0	0			
5.2 5	0	0		0	0	0	0			
5.2 6	0	0		0	0	0	0			
5.2 7	0	0		0	0	0	0			
5.2 8	0	0		0	0	0	0			
5.2 9	0	0		0	0	0	0			
5.3 0	0	0		0	0	0	0			
5.3 1	0	0		0	0	0	0			
5.3 2	0	0		0	0	0	0			
5.3 3	0	0		0	0	0	0			
5.3 4	0	0		0	0	0	0			
5.3 5	0	0		0	0	0	0			
5.3 6	0	0		0	0	0	0			
5.3 7	0	0		0	0	0	0			
5.3 8	0	0		0	0	0	0			
5.3 9			0	0	0	0	0			



5.4  
0

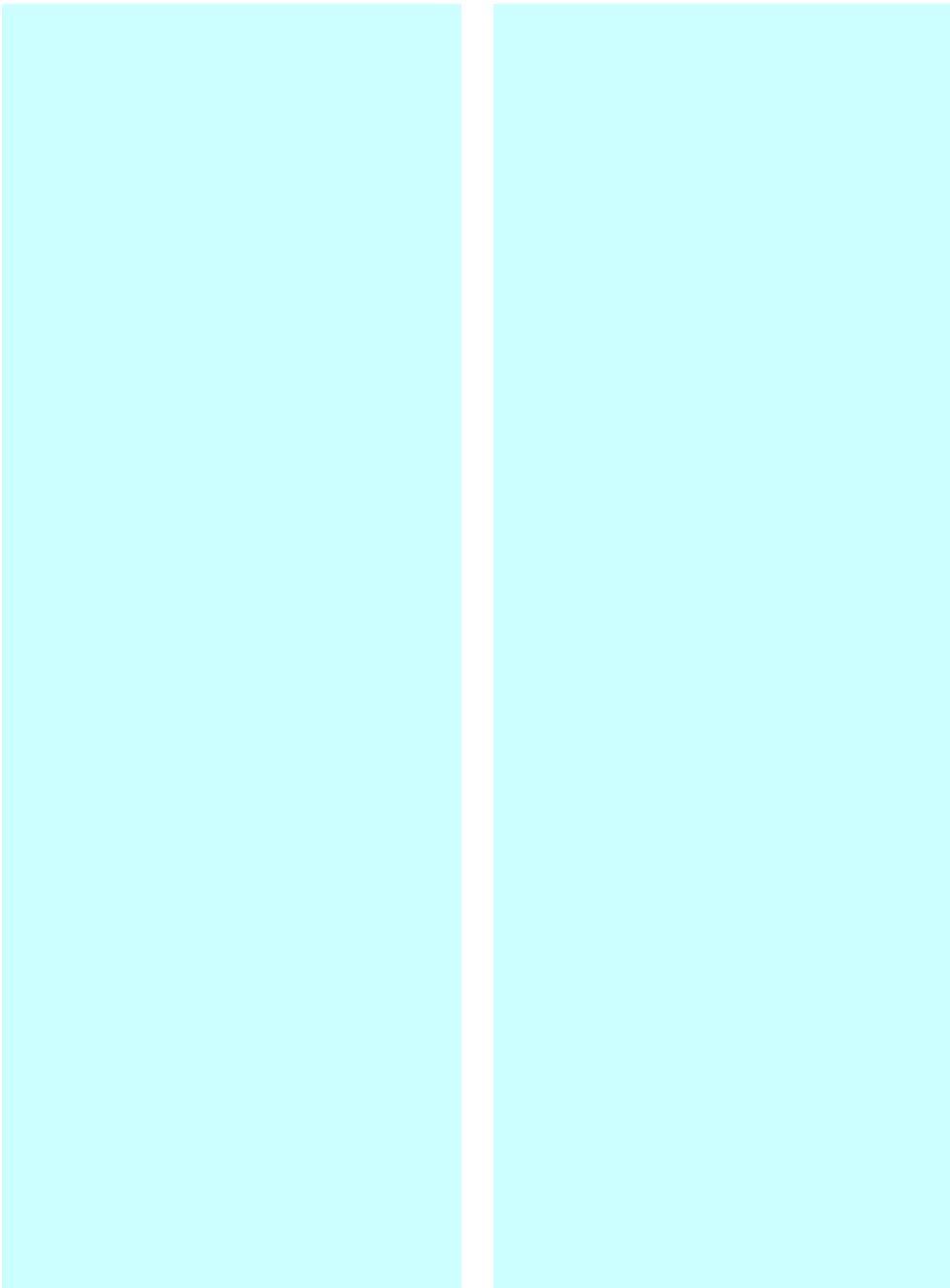
5.4  
1

0      0      0

6	TOTAL ACCOUNT 282	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	ACCOUNT 282 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0

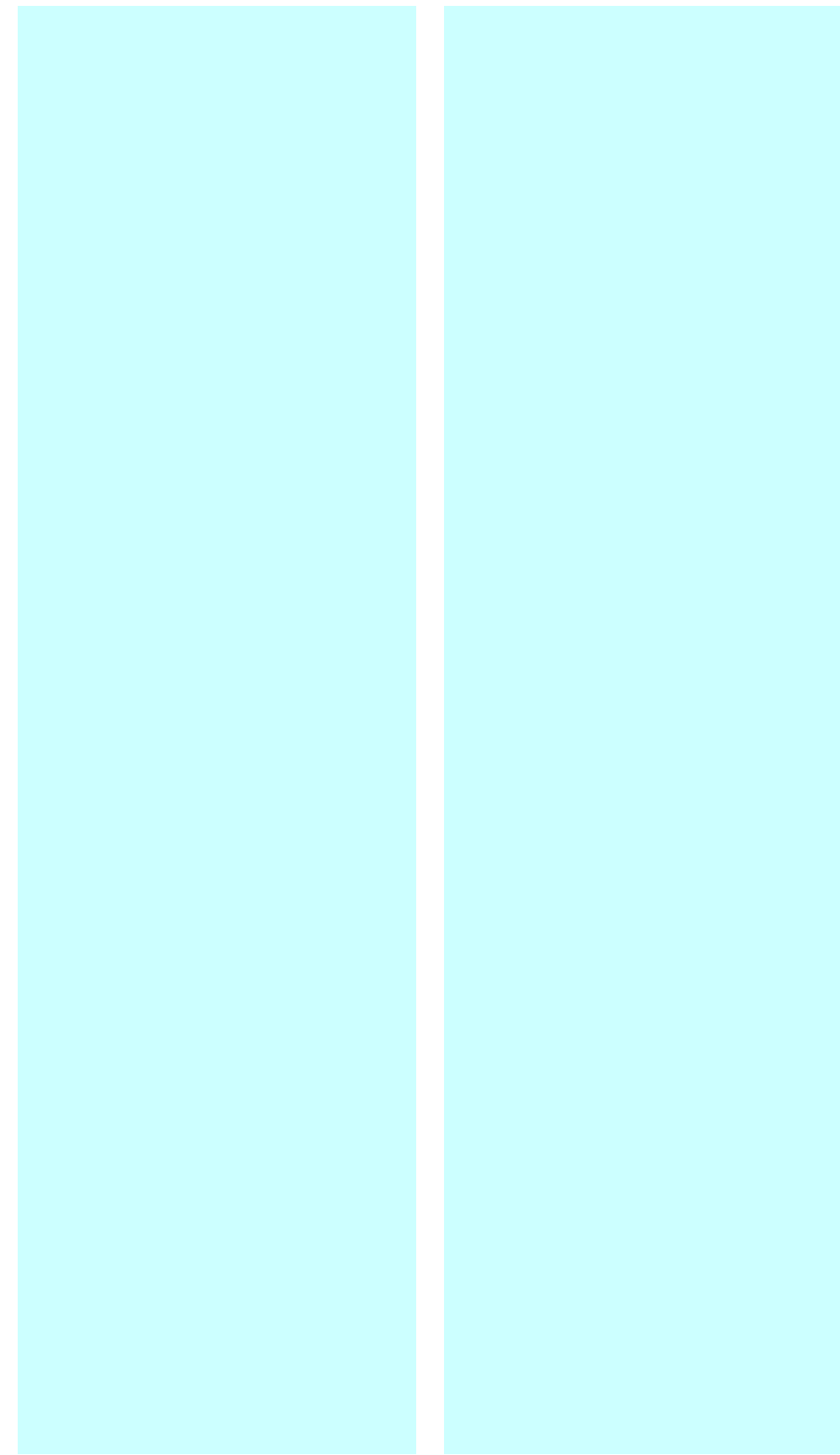
8 ACCOUNT 283:

9.0 1	0	0	0	0	0	0	0	0	0	0
9.0 2	0	0	0	0	0	0	0	0	0	0
9.0 3	0	0	0	0	0	0	0	0	0	0
9.0 4	0	0	0	0	0	0	0	0	0	0
9.0 5	0	0	0	0	0	0	0	0	0	0
9.0 6	0	0	0	0	0	0	0	0	0	0
9.0 7	0	0	0	0	0	0	0	0	0	0
9.0 8	0	0	0	0	0	0	0	0	0	0
9.0 9	0	0	0	0	0	0	0	0	0	0
9.1 0	0	0	0	0	0	0	0	0	0	0
9.1 1	0	0	0	0	0	0	0	0	0	0
9.1 2	0	0	0	0	0	0	0	0	0	0
9.1 3	0	0	0	0	0	0	0	0	0	0
9.1 4	0	0	0	0	0	0	0	0	0	0



9.1 5									
9.1 6	0	0	0	0	0	0	0		
9.1 7	0	0	0	0	0	0	0		
9.1 8	0	0	0	0	0	0	0		
9.1 9	0	0	0	0	0	0	0		
9.2 0	0	0	0	0	0	0	0		
9.2 1	0	0	0	0	0	0	0		
9.2 2	0	0	0	0	0	0	0		
9.2 3	0	0	0	0	0	0	0		
9.2 4	0	0	0	0	0	0	0		
9.2 5	0	0	0	0	0	0	0		
9.2 6	0	0	0	0	0	0	0		
9.2 7	0	0	0	0	0	0	0		
9.2 8	0	0	0	0	0	0	0		
9.2 9	0	0	0	0	0	0	0		
9.3 0	0	0	0	0	0	0	0		
9.3 1	0	0	0	0	0	0	0		
9.3 2	0	0	0	0	0	0	0		
9.3 3	0	0	0	0	0	0	0		

9.3 4	0	0	0	0	0	0
9.3 5	0	0	0	0	0	0
9.3 6	0	0	0	0	0	0
9.3 7	0	0	0	0	0	0
9.3 8	0	0	0	0	0	0
9.3 9	0	0	0	0	0	0
9.4 0	0	0	0	0	0	0
9.4 1	0	0	0	0	0	0
9.4 2	0	0	0	0	0	0
9.4 3	0	0	0	0	0	0
9.4 4	0	0	0	0	0	0
9.4 5	0	0	0	0	0	0
9.4 6	0	0	0	0	0	0
9.4 7	0	0	0	0	0	0
9.4 8	0	0	0	0	0	0
9.4 9	0	0	0	0	0	0
9.5 0	0	0	0	0	0	0
9.5 1	0	0	0	0	0	0
9.5	0	0	0	0	0	0



2									
9.5 3	0	0	0	0	0	0	0		
9.5 4	0	0	0	0	0	0	0		
9.5 5	0	0	0	0	0	0	0		
9.5 6	0	0	0	0	0	0	0		
9.5 7	0	0	0	0	0	0	0		
9.5 8	0	0	0	0	0	0	0		
9.5 9	0	0	0	0	0	0	0		
9.6 0	0	0	0	0	0	0	0		
9.6 1	0	0	0	0	0	0	0		
9.6 2	0	0	0	0	0	0	0		
9.6 3	0	0	0	0	0	0	0		
9.6 4	0	0	0	0	0	0	0		
9.6 5	0	0	0	0	0	0	0		
9.6 6	0	0	0	0	0	0	0		
9.6 7	0	0	0	0	0	0	0		
9.6 8	0	0	0	0	0	0	0		
9.6 9	0	0	0	0	0	0	0		
9.7 0	0	0	0	0	0	0	0		
	0	0	0	0	0	0	0		

9.7 1										
9.7 2	0	0	0	0	0	0	0			
9.7 3	0	0	0	0	0	0	0			
9.7 4	0	0	0	0	0	0	0			
9.7 5	0	0	0	0	0	0	0			
9.7 6	0	0	0	0	0	0	0			
9.7 7	0	0	0	0	0	0	0			
9.7 8	0	0	0	0	0	0	0			
9.7 9	0	0	0	0	0	0	0			
9.8 0	0	0	0	0	0	0	0			
9.8 1	0	0	0	0	0	0	0			
9.8 2	0	0	0	0	0	0	0			
9.8 3	0	0	0	0	0	0	0			
9.8 4	0	0	0	0	0	0	0			
9.8 5	0	0	0	0	0	0	0			
9.8 6	0	0	0	0	0	0	0			
9.8 7	0	0	0	0	0	0	0			
9.8 8	0	0	0	0	0	0	0			
9.8 9	0	0	0	0	0	0	0			

9.9												
0		0	0			0	0	0	0			
9.9												
1		0	0			0	0	0	0			
9.9												
2		0	0			0	0	0	0			
9.9												
3		0	0			0	0	0	0			
9.9												
4				0	0	0						
9.9												
5				0	0	0						
9.9												
6				0	0	0						
9.9												
7				0	0	0						
9.9												
8				0	0	0						
9.9												
9				0	0	0						
10		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
11	DEFD STATE INCOME TAXES	0	0			0	0	0	0			
11.01				0	0	0						
12	TOTAL ACCOUNT 283	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
13	ACCOUNT 283 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0
14	JURISDICTIONAL AMOUNTS FUNCTIONALIZED											
15	TOTAL COMPANY AMOUNTS FUNCTIONALIZED											
16	REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT											
17	NOTE: POST 1970 ACCUMULATED DEFERRED											

18 255		INV TAX CRED. (JDITC) IN A/C											
18.01		0	0			0	0	0	0				
18.02		0	0			0	0	0	0				
19		<hr/>											
20	TOTAL ACCOUNT 255	0	0	0	0	0	0	0	0	0	0	0	0

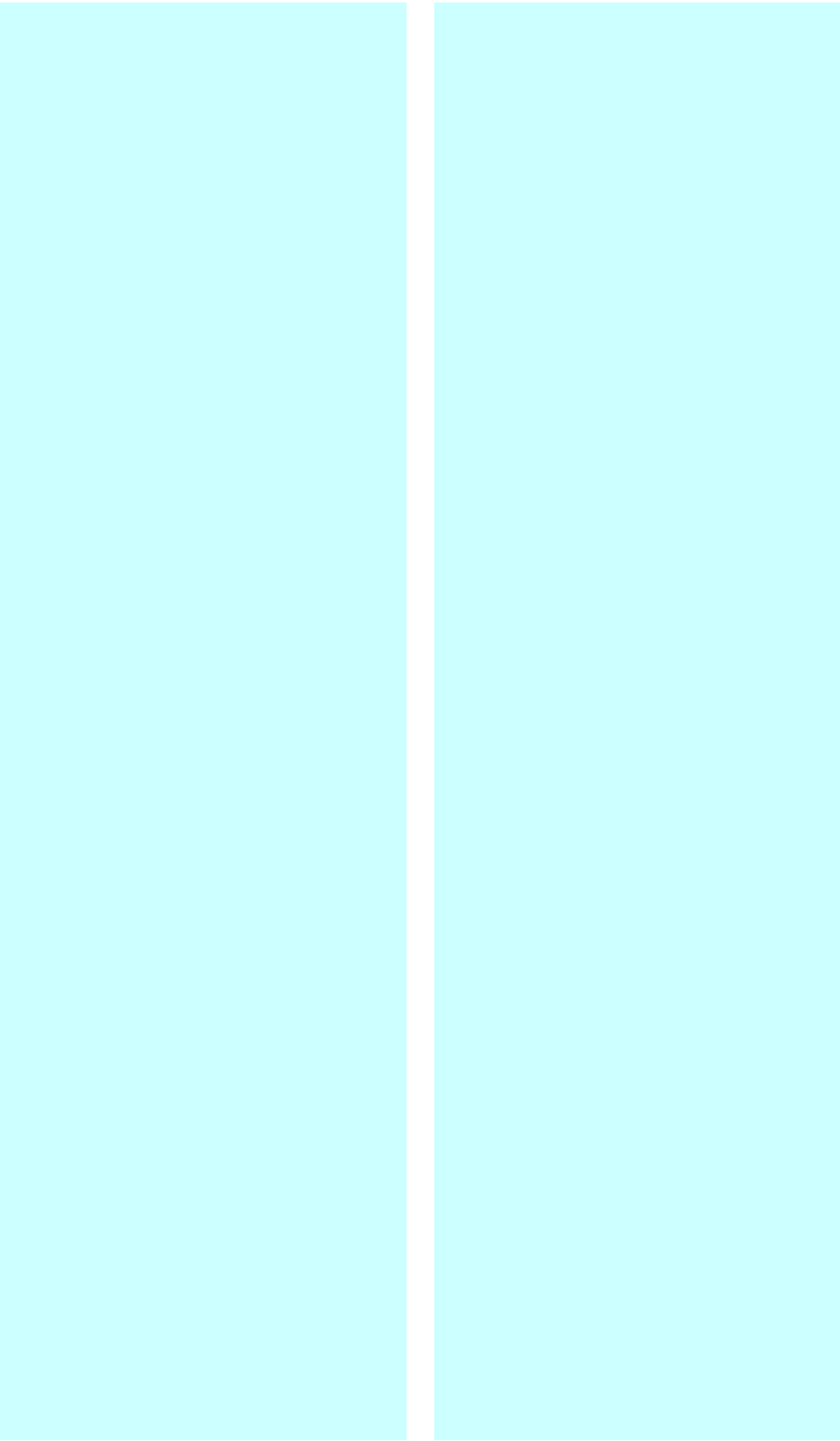
Company Name Here  
**ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT**  
**190 - Actual Cycle Only**  
**PERIOD ENDED DECEMBER**  
**31, 2017**

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	DEBIT (CREDIT)	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31- 2016	BALANCE AS OF 12-31- 2017	BALANCE AS OF 12-31- 2016	BALANCE AS OF 12-31- 2017		GENERA TION	TRANSMIS SION	DISTRIBU TION	GENERA TION	TRANSMIS SION	DISTRIBU TION	GENERA TION	TRANSMIS SION	DISTRIBU TION
1 ACCOUNT 190:														
2.0 1	0	0			0	0	0	0						
2.0 2	0	0			0	0	0	0						
2.0 3	0	0			0	0	0	0						
2.0 4	0	0			0	0	0	0						
2.0 5	0	0			0	0	0	0						
2.0 6	0	0			0	0	0	0						
2.0 7	0	0			0	0	0	0						
2.0 8	0	0			0	0	0	0						
2.0 9	0	0			0	0	0	0						
2.1 0	0	0			0	0	0	0						
	0	0			0	0	0	0						



2.1 1										
2.1 2	0	0	0	0	0	0	0			
2.1 3	0	0	0	0	0	0	0			
2.1 4	0	0	0	0	0	0	0			
2.1 5	0	0	0	0	0	0	0			
2.1 6	0	0	0	0	0	0	0			
2.1 7	0	0	0	0	0	0	0			
2.1 8	0	0	0	0	0	0	0			
2.1 9	0	0	0	0	0	0	0			
2.2 0	0	0	0	0	0	0	0			
2.2 1	0	0	0	0	0	0	0			
2.2 2	0	0	0	0	0	0	0			
2.2 3	0	0	0	0	0	0	0			
2.2 4	0	0	0	0	0	0	0			
2.2 5	0	0	0	0	0	0	0			
2.2 6	0	0	0	0	0	0	0			
2.2 7	0	0	0	0	0	0	0			
2.2 8	0	0	0	0	0	0	0			
2.2 9	0	0	0	0	0	0	0			

2.3 0	0	0	0	0	0	0	0
2.3 1	0	0	0	0	0	0	0
2.3 2	0	0	0	0	0	0	0
2.3 3	0	0	0	0	0	0	0
2.3 4	0	0	0	0	0	0	0
2.3 5	0	0	0	0	0	0	0
2.3 6	0	0	0	0	0	0	0
2.3 7	0	0	0	0	0	0	0
2.3 8	0	0	0	0	0	0	0
2.3 9	0	0	0	0	0	0	0
2.4 0	0	0	0	0	0	0	0
2.4 1	0	0	0	0	0	0	0
2.4 2	0	0	0	0	0	0	0
2.4 3	0	0	0	0	0	0	0
2.4 4	0	0	0	0	0	0	0
2.4 5	0	0	0	0	0	0	0
2.4 6	0	0	0	0	0	0	0
2.4 7	0	0	0	0	0	0	0
2.4	0	0	0	0	0	0	0



8									
2.49	0	0	0	0	0	0	0		
2.50	0	0	0	0	0	0	0		
2.51	0	0	0	0	0	0	0		
2.52	0	0	0	0	0	0	0		
2.53	0	0	0	0	0	0	0		
2.54	0	0	0	0	0	0	0		
2.55	0	0	0	0	0	0	0		
2.56	0	0	0	0	0	0	0		
2.57	0	0	0	0	0	0	0		
2.58	0	0	0	0	0	0	0		
2.59	0	0	0	0	0	0	0		
2.60	0	0	0	0	0	0	0		
2.61	0	0	0	0	0	0	0		
2.62	0	0	0	0	0	0	0		
2.63	0	0	0	0	0	0	0		
2.64	0	0	0	0	0	0	0		
2.65	0	0	0	0	0	0	0		
2.66	0	0	0	0	0	0	0		
	0	0	0	0	0	0	0		

2.6 7												
2.6 8	0	0			0	0	0	0				
2.6 9	0	0			0	0	0	0				
2.7 0	0	0			0	0	0	0				
2.7 1	0	0			0	0	0	0				
2.7 2	0	0			0	0	0	0				
2.7 3	0	0			0	0	0	0				
2.7 4	0	0			0	0	0	0				
2.7 5	0	0			0	0	0	0				
2.7 6	0	0			0	0	0	0				
2.7 7	0	0			0	0	0	0				
2.7 8	0	0			0	0	0	0				
2.7 9	0	0			0	0	0	0				
2.8 0			0	0	0							
2.8 1			0	0	0							
2.8 2			0	0	0							
2.8 3			0	0	0							
2.8 4			0	0	0							
2.8 5			0	0	0							

2.86			0	0	0								
2.87			0	0	0								
2.88			0	0	0								
2.89			0	0	0								
2.90			0	0	0	0	0	0					
2.91		0	0		0	0	0	0					
3	TOTAL ACCOUNT 190	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
4	ACCOUNT 190 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0

COMPANY NAME HERE  
 Worksheet B-3  
 Excess/ Deficient ADIT Worksheet for Total Company and Functional Balances  
 For Year Ended December 31, 20\_\_  
 Debit/(Credit)

A	B	C	D	E	F	G	H
TOTAL COMPANY BALANCES							
Line No.	Account (NOTE A)	Description of Account	Protected Unprotected	Tax Rate Change Act	Excess Balance at Remeasurement (NOTE C)	Amortization Methodology (NOTE D)	Amortization Period
	Deferred Tax Account (NOTE B)						
1a							
1b							
1c							
1d							
1e							
1f							
1g							
1h							
1i							
1j	NOTE E						
	Regulatory Deferral Accounts						
2a	182.3	Regulatory Asset					
2b	254	Regulatory Liability					
2c	NOTE E						
3	Total For Accounting Entires (Sum of Lines 1a through 2_)				-		

TRANSMISSION FUNCTION BALANCES

	Deferred Tax Account (NOTE B)						
4a							
4b							
4c							
4d							
4e							



I	J	K	L	M	N	O	P	Q	R
1/1/20	Beginning	Balances	Balance Sheet Entries		Tax Expense		12/31/20	Ending	
Excess ADIT	Excess	Balance			410/411	410/411	Excess	Excess	Reference
Regulatory	ADIT in	Sheet	182.3	254	Excess	Deferred Tax	ADIT	ADIT in	
Offset	Utility	Account			Amortization	Expense/	Regulator	Utility	
	Deferrals	Reclassific				(Benefit)	y Offset	Deferrals	
		ations					Sum of		
							Cols (I) -		
							(O)		



-	-	-	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---	---	---

NOTE F

							Sum of		
							Cols (I) -		
							(O)		



								-
								-



- - - - -

NOTE F

GENERAL NOTE:

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

NOTE A: In order to ensure ratebase neutrality, AEP utilizes the fourth digit of its seven digit FERC Tax subaccount numbers to identify balances associated with utility operations vs regulatory reporting requirements. A "1" in the fourth digit of a FERC tax account refers to the utility operations balances or activity. Accounts with the "1" designation will be included in the determination of ratebase to be recovered in the formula rate. A "4" in the fourth position of the account number indicates accounts used to track regulatory accounting requirements. The excess ADIT amounts recorded in accounts with the "4" designation will be contra to the "1" balance, which will ensure that in the formula rate the excess or deficiency amounts will be part of ratebase, but at the total FERC account level the tax liability or asset will be recorded at the current Federal FIT rate. The amounts recorded in the "4" accounts will be offset on a net basis in the regulatory asset or liability subaccount established for this purpose.

NOTE B: The amount of the FIT gross up to recorded on regulatory assets and liabilities will be reported on the first line of ADIT accounts provided for each specific change in tax rates.

NOTE C: The amounts of the remeasurement shown here are as of the effective date of the change in tax rates and will remain static on this workpaper.

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

NOTE E: In the event of future tax rate changes, additional lines will be inserted in both the Total Company and Transmission Functional sections above as required to reflect any new ADIT or regulatory deferral accounts that may be necessary to track that tax rate change.

NOTE F: The amount of excess amortization entries shown in lines 1a through 1j and 4a through 4h are shown as a debit or credit to the ADIT account from which it is being amortized. The total in line 3 and 6 is the offset recorded to the 410/411 account and will tie to the total company and transmission functional amounts of excess or deficient ADIT amortization shown on line 119 of the cost of service.

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet C Supporting Working Capital Rate Base Adjustments  
 COMPANY NAME HERE

(A) <u>Line Number</u>	(B)	(C) <u>Source</u>	(D) <u>Materials &amp; Supplies</u> <u>Balance @ December 31, Rate Year</u>	(E)	(F) <u>Balance @ December 31, Rate Year-1</u>	(G)	(H) <u>Average Balance for Rate Year</u>	(I)
1								
2	Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c) & (b)			-			
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)			-			
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, ln 16, Col. (c) & (b)			-			
<b>Prepayment Balance Summary (Note 1)</b>								
5		<u>Average of YE Balance</u>	<u>Excludable Balances</u>	<u>100% Transmission Related</u>	<u>Transmission Plant Related</u>	<u>Transmission Labor Related</u>	<u>Total Included in Ratebase (E)+(F)+(G)</u>	
6	Totals as of December 31, Rate Year	0	0	0	0	0	0	
7	Totals as of December 31, Rate Year-1							
8	<b>Average Balance</b>	-	-	-	-	-	-	

<b>Prepayments Account 165 - Balance @ 12/31/Rate Year</b>									
(A) <u>Line Number</u>	(B) <u>Acc. No.</u>	(C) <u>Description</u>	(D) <u>Rate Year YE Balance</u>	(E) <u>Excludable Balances</u>	(F) <u>100% Transmission Related</u>	(G) <u>Transmission Plant Related</u>	(H) <u>Transmission Labor Related</u>	(I) <u>Total Included in Ratebase (E)+(F)+(G)</u>	(J) <u>Explanation</u>
9									
10				-		-		-	
11				-		-		-	
12				-			-	-	
13				-			-	-	
14				-			-	-	
15				-			-	-	
16				-			-	-	
17				-			-	-	
18				-			-	-	
19				-			-	-	
		<b>Subtotal - Form 1, p 111.57.c</b>	0	0	0	0	0	0	

<b>Prepayments Account 165 - Balance @ 12/31/ Rate Year-1</b>									
(A) <u>Line Number</u>	(B) <u>Acc. No.</u>	(C) <u>Description</u>	(D) <u>Rate Year-1 YE Balance</u>	(E) <u>Excludable Balances</u>	(F) <u>100% Transmission Related</u>	(G) <u>Transmission Plant Related</u>	(H) <u>Transmission Labor Related</u>	(I) <u>Total Included in Ratebase (E)+(F)+(G)</u>	(J) <u>Explanation</u>
20									
21						0		-	
22						0		-	
23						0		-	
24						0		-	
25				0				-	
26				0				-	
27				0				-	
28				0				-	
29							0	-	
30				0				-	
31				0				-	
		<b>Subtotal - Form 1, p 111.57.c</b>							

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

AEP East Companies

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet D Supporting IPP Credits

COMPANY NAME HERE

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

Note 1 On this worksheet Company Records refers to COMPANY NAME HERE's general ledger.

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet E Supporting Revenue Credits  
 COMPANY NAME HERE

<u>Line</u> <u>Number</u>	<u>Description</u>	<u>(a)</u> <u>Total</u> <u>Company</u>	<u>(b)</u> <u>Non-</u> <u>Transmission</u>	<u>(c)</u> <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)		-	
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)		-	
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1, 2)		-	
5a	Account 457.1, Regional Control Service Revenues (FF1 p.300.23.(b); Company Records - Note 1)		-	
5b	Account 457.2, Miscellaneous Revenues (FF1 p.300.24.(b); Company Records - Note 1)		-	
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	-	-	-
7	Accounts 4470004 & 4470005, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	<b>Total Other Operating Revenues To Reduce Revenue Requirement</b>	-	-	-

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

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

9 Facility Credits under PJM OATT Section 30.9

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet F Supporting Allocation of Specific O&M or A&G Expenses  
 COMPANY NAME HERE

(A)	(B)	(C)	(D)	(E)	(F)	
<u>Line</u> <u>Number</u>	<u>Item No.</u>	<u>Description</u>	<u>Rate Year</u> <u>Expense</u>	<u>100%</u> <u>Non-Transmission</u>	<u>100%</u> <u>Transmission</u> <u>Specific</u>	<u>Explanation</u>
		<b><u>Regulatory O&amp;M Deferrals &amp; Amortizations</u></b>				
1			-			
2						
3						
4		<b>Total</b>	0			
		<b><u>Detail of Account 561 Per FERC Form 1</u></b>				
5						
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability				
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System				
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				
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development				
11	FF1 p 321.90.b	561.6 - Transmission Service Studies				
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies				
13	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Services				
14		<b>Total of Account 561</b>	0			
		<b><u>Account 928</u></b>				
15				-	-	
16				-	-	
17				-	-	
18				-	-	
19				-	-	
20		<b>Total (FERC Form 1 p.323.189.b)</b>	-	-	-	
		<b><u>Account 930.1</u></b>				
21				-	-	
22				-	-	
23				-	-	
24				-	-	
25				-	-	
26				-	-	
27				-	-	
28				-	-	
29				-	-	
30				-	-	
31				-	-	
32				-	-	
33				-	-	
34				-	-	
35				-	-	
36				-	-	
37		<b>Total (FERC Form 1 p.323.191.b)</b>	-	-	-	
		<b><u>Account 930.2</u></b>				
38			0			
39			0			
40			0			
41			0			
42			0			
43		<b>Total (FERC Form 1 p.323.192.b)</b>	-	-	-	

**ATTACHMENT B**

**REVISED ATTACHMENT H-14B Part 1 (REDLINE TARIFF)**



ATTACHMENT H-14B  
BLANK FORMULA TEMPLATE - CLEAN

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

For Twelve Months Ended

COMPANY NAME HERE

Line No.	Description	Formula	Transmission		Amount
			Total	Allocator	
1	REVENUE REQUIREMENT (w/o incentives)	(ln 130)			\$0
2	REVENUE CREDITS	(Worksheet E ln 8) (Note A)	-	DA 1.00000	\$ -
3	Facility Credits under PJM OATT Section 30.9	(Worksheet E ln 9) (Note X)			\$ -
4	REVENUE REQUIREMENT For All Company Facilities	(ln 1 less ln 2 plus ln 3)			\$ -
<b>MEMO: The Carrying Charge Calculations on lines 7 to 12 below are used in calculating project revenue requirements billed through PJM Schedule 12, Transmission Enhancement Charges. The total non-incentive revenue requirements for these projects shown on line 5 is included in the total on line 4.</b>					
5	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet J/K)		-	DA 1.00000	\$ -
6	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
7	Annual Rate	$(\ln 1 - \ln 95) / ((\ln 42) \times 100)$			0.00%
8	Monthly Rate	$(\ln 7 / 12)$			0.00%
9	NET PLANT CARRYING CHARGE ON LINE 7, w/o depreciation or ROE incentives (Note B)				
10	Annual Rate	$(\ln 1 - \ln 95 - \ln 100) / ((\ln 42) \times 100)$			0.00%
11	NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B)				
12	Annual Rate	$(\ln 1 - \ln 95 - \ln 100 - \ln 125 - \ln 126) / ((\ln 42) \times 100)$			0.00%
13	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J/K)				-
14	<b>REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES</b>				
15	Total Load Dispatch & Scheduling (Account 561)	Line 75 Below			-
16	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				-
17	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				-
18	Total 561 Internally Developed Costs	(Line 15 - Line 16 - Line 17)			-

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

Line	(1)	(2)	(3)	(4)	(5)
	<u>RATE BASE CALCULATION</u>	<u>Data Sources</u> <u>(See "General Notes")</u>	<u>TO Total</u>	<u>NOTE C</u> <u>Allocator</u>	<u>Total</u> <u>Transmission</u>
No.	GROSS PLANT IN SERVICE				
19	Production	(Worksheet A ln 14.(b))	-	NA	0.00000 -
20	Less: Production ARO (Enter Negative)	(Worksheet A ln 14.(c))	-	NA	0.00000 -
21	Transmission	(Worksheet A ln 14.(d) & TCOS Ln 134)	-	DA	-
22	Less: Transmission ARO (Enter Negative)	(Worksheet A ln 14.(e))	-	TP	0.00000 -
23	Distribution	(Worksheet A ln 14.(f))	-	NA	0.00000 -
24	Less: Distribution ARO (Enter Negative)	(Worksheet A ln 14.(g))	-	NA	0.00000 -
25	General Plant	(Worksheet A ln 14.(h))	-	W/S	0.00000 -
26	Less: General Plant ARO (Enter Negative)	(Worksheet A ln 14.(i))	-	W/S	0.00000 -
27	Intangible Plant	(Worksheet A ln 14.(j))	-	W/S	0.00000 -
28	TOTAL GROSS PLANT	(sum lns 19 to 27)	-	<b>GP=</b>	<b>0.000000</b> -
				<b>GTD=</b>	<b>-</b>
29	ACCUMULATED DEPRECIATION AND AMORTIZATION				
30	Production	(Worksheet A ln 28.(b))	-	NA	0.00000 -
31	Less: Production ARO (Enter Negative)	(Worksheet A ln 28.(c))	-	NA	0.00000 -
32	Transmission	(Worksheet A ln 28.(d) & ln 43.(c))	-	<b>TP1=</b>	<b>0.00000</b> -
33	Less: Transmission ARO (Enter Negative)	(Worksheet A ln 28.(e))	-	<b>TP1=</b>	<b>0.00000</b> -
34	Distribution	(Worksheet A ln 28.(f))	-	NA	0.00000 -
35	Less: Distribution ARO (Enter Negative)	(Worksheet A ln 28.(g))	-	NA	0.00000 -
36	General Plant	(Worksheet A ln 28.(h))	-	W/S	0.00000 -
37	Less: General Plant ARO (Enter Negative)	(Worksheet A ln 28.(i))	-	W/S	0.00000 -
38	Intangible Plant	(Worksheet A ln 28.(j))	-	W/S	0.00000 -
39	TOTAL ACCUMULATED DEPRECIATION	(sum lns 30 to 38)	-		-
40	NET PLANT IN SERVICE				
41	Production	(ln 19 + ln 20 - ln 30 - ln 31)	-		-
42	Transmission	(ln 21 + ln 22 - ln 32 - ln 33)	-		-
43	Distribution	(ln 23 + ln 24 - ln 34 - ln 35)	-		-
44	General Plant	(ln 25 + ln 26 - ln 36 - ln 37)	-		-
45	Intangible Plant	(ln 27 - ln 38)	-		-
46	TOTAL NET PLANT IN SERVICE	(sum lns 41 to 45)	-	<b>NP=</b>	<b>0.000000</b> -
47	DEFERRED TAX ADJUSTMENTS TO RATE BASE (Note D)				
48	Account No. 281.1 (enter negative)	(Worksheet B, ln 2 & ln 5.E)	-	NA	-
49	Account No. 282.1 (enter negative)	(Worksheet B, ln 7 & ln 10.E)	-	DA	-
50	Account No. 283.1 (enter negative)	(Worksheet B, ln 12 & ln 15.E)	-	DA	-
51	Account No. 190.1	(Worksheet B, ln 17 & ln 20.E)	-	DA	-
52	Account No. 255 (enter negative)	(Worksheet B, ln 24 & ln 25.E)	-	DA	-
53	TOTAL ADJUSTMENTS	(sum lns 48 to 52)	-		-
54	PLANT HELD FOR FUTURE USE	(Worksheet A ln ln 44.(e) & ln 45.(e))	-	DA	-
55	REGULATORY ASSETS	(Worksheet A ln 51.(e))	-	DA	-
56	UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y)	(Worksheet A ln 54.(e))		W/S	-
57	WORKING CAPITAL (Note E)				
58	Cash Working Capital	(1/8 * ln 78)	-		-
59	Transmission Materials & Supplies	(Worksheet C, ln 2.(F))	-	TP	0.00000 -
60	A&G Materials & Supplies	(Worksheet C, ln 3.(F))	-	W/S	0.00000 -
61	Stores Expense	(Worksheet C, ln 4.(F))	-	GP	0.00000 -
62	Prepayments (Account 165) - Labor Allocated	(Worksheet C, ln 8.G)	-	W/S	0.00000 -
63	Prepayments (Account 165) - Gross Plant	(Worksheet C, ln 8.F)	-	GP	0.00000 -
64	Prepayments (Account 165) - Transmission Only	(Worksheet C, ln 8.E)	-	DA	1.00000 -
65	Prepayments (Account 165) - Unallocable	(Worksheet C, ln 8.D)	-	NA	0.00000 -
66	TOTAL WORKING CAPITAL	(sum lns 58 to 65)	-		-
67	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, ln 8.B)	-	DA	1.00000 -
68	RATE BASE (sum lns 46, 53, 54, 55, 56, 66, 67)		-		-

AEP East Companies  
Transmission Cost of Service Formula  
Rate

Utilizing Actual/Projected FERC Form 1 Data

COMPANY NAME HERE

Line No.	(1) <u>EXPENSE, TAXES, RETURN &amp; REVENUE</u> <u>REQUIREMENTS</u> <u>CALCULATION</u>	(2) <u>(See "General Notes")</u>	(3) <u>Data Sources</u> <u>TO Total</u>	(4) <u>Allocator</u>	(5) <u>Total</u> <u>Transmission</u>
<b>OPERATION &amp; MAINTENANCE EXPENSE</b>					
69	Production	321.80.b			
70	Distribution	322.156.b			
71	Customer Related Expense	322 & 323.164,171,178.b			
72	Regional Marketing Expenses	322.131.b			
73	Transmission	321.112.b			
74	TOTAL O&M EXPENSES	(sum lns 69 to 73)	-		
75	Less: Total Account 561	(Note G) (Worksheet F, ln 14.C)	-		
76	Less: Account 565	(Note H) 321.96.b			
77	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, ln 4.C)	-		
78	Total O&M Allocable to Transmission	(lns 73 - 75 - 76 - 77)	-	TP	0.00000 -
79	Administrative and General	323.197.b (Notes J and M)			
80	Less: Acct. 924, Property Insurance	323.185.b			
81	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)			
82	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)			
83	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)			
84	Acct. 928, Reg. Com. Exp.	323.189.b			
85	Acct. 930.1, Gen. Advert. Exp.	323.191.b			
86	Acct. 930.2, Misc. Gen. Exp.	323.192.b			
87	Balance of A & G	(ln 79 - sum ln 80 to ln 86)	-	W/S	0.00000 -
88	Plus: Acct. 924, Property Insurance	(ln 80)	-	GP	0.00000 -
89	Acct. 928 - Transmission Specific	Worksheet F ln 20.(E) (Note L)	-	TP	0.00000 -
90	Acct 930.1 - Only safety related ads -Direct	Worksheet F ln 37.(E) (Note L)	-	TP	0.00000 -
91	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F ln 43.(E) (Note L)	-	DA	1.00000 -
92	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C (Note M)			
93	A & G Subtotal	(sum lns 87 to 92)	-		-
94	O & M EXPENSE SUBTOTAL	(ln 78 + ln 93)	-		-
95	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)			DA	1.00000 -
96	TOTAL O & M EXPENSE	(ln 94 + ln 95)	-		-
<b>DEPRECIATION AND AMORTIZATION EXPENSE</b>					
98	Production	336.2-6.f		NA	0.00000 -
99	Distribution	336.8.f		NA	0.00000 -
100	Transmission	336.7.f		TP1	0.00000 -
101	General	336.10.f		W/S	0.00000 -
102	Intangible	336.1.f		W/S	0.00000 -
103	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 98+99+100+101+102)	-		-
<b>TAXES OTHER THAN INCOME</b>					
104	Labor Related	(Note N)			
105	Payroll	Worksheet H ln 24.(D)	-	W/S	0.00000 -
106	Plant Related				
107	Property	Worksheet H-1 ln 3.(C) & 3.(G)	-	DA	0
108	Gross Receipts/Sales & Use	Worksheet H ln 24.(F)	-	NA	0.00000 -
109	Other	Worksheet H ln 24.(E)	-	GP	0.00000 -
110	TOTAL OTHER TAXES	(sum lns 106 to 110)	-		-
111	INCOME TAXES	(Note O)			
112	T=1 - {(1 - SIT) * (1 - FIT)} / (1 - SIT * FIT * p) =		0.00%		
113	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		0.00%		
114	where WCLTD=(ln 154) and WACC = (ln 157)				
115	and FIT, SIT & p are as given in Note O.				
116	GRCF=1 / (1 - T) = (from ln 113)		-		

118	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	-			
119	Excess Deferred Income Tax	(Note U)	-	DA	+0.00000	-
120	Tax Effect of Permanent and Flow-Through Differences	(Note U)	-	DA	1.00000	-
121	Income Tax Calculation	(ln 114 * ln 126)	-			-
122	ITC adjustment	(ln 117 * ln 118)	-	GP	0.00000	-
123	Excess Deferred Income Tax	(ln 117 * ln 119)	-			-
124	Tax Effect of Permanent and Flow-Through Differences	(ln 117 * ln 120)	-			-
125	TOTAL INCOME TAXES	(sum lns 121 to 124)	-			-
126	RETURN ON RATE BASE (Rate Base*WACC)	(ln 68 * ln 157)	-			-
127	INTEREST ON IPP CONTRIBUTION FOR CONST.	(Note F) (Worksheet D, ln 2.(B))	-	DA	1.00000	-
128	(Gains) / Losses on Sales of Plant Held for Future Use	(Worksheet N, ln 4, Cols. ((F) & (H))				-
129	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use	(ln 128 * ln 114)				-
130	TOTAL REVENUE REQUIREMENT	(sum lns 96, 103, 111, 125, 126, 127, 128, 129)				-

Formatted Table

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

**SUPPORTING CALCULATIONS**

ln	TRANSMISSION PLANT INCLUDED IN PJM TARIFF			
131	Total transmission plant	(ln 21)	-	
132	Less transmission plant excluded from PJM Tariff	(Worksheet A, ln 42, Col. (d)) (Note P)	-	
133	Less transmission plant included in OATT Ancillary Services	(Worksheet A, ln 42, Col. (b)) (Note Q)	-	
134	Transmission plant included in PJM Tariff	(ln 131 - ln 132 - ln 133)	-	
135	Percent of transmission plant in PJM Tariff	(ln 134 / ln 131)	<b>TP =</b>	<b>0.00000</b>

WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total		
137	Production	354.20.b	-	-	N 0.0000	-
138	Transmission	354.21.b	-	-	A 0	-
139	Regional Market Expenses	354.22.b	-	-	T 0.0000	-
140	Distribution	354.23.b	-	-	P 0	-
141	Other (Excludes A&G)	354.24,25,26.b	-	-	N 0.0000	-
142	Total	(sum lns 137 to 141)	0	0	A 0	-

143 Transmission related amount **W/S= 0.00000**

144	WEIGHTED AVERAGE COST OF CAPITAL (WACC)		\$
145	Long Term Interest	(Worksheet M, ln. 37, col. (d))	-
146	Preferred Dividends	(Worksheet M, ln. 71)	-
147	Development of Common Stock:		
148	Proprietary Capital	(Worksheet M, ln. 14, col. (b))	
149	Less: Preferred Stock	(Worksheet M, ln. 14, col. (c))	
150	Less: Account 216.1	(Worksheet M, ln. 14, col. (d))	
151	Less: Account 219	(Worksheet M, ln. 14, col. (e))	

152	Common Stock	(ln 148 - ln 149 - ln 150 - ln 151)				-
			<b>Capital Structure Limit</b>		Cost	
153			<u>\$</u>	<u>Actual</u>	<u>Cap</u>	<u>(Note</u>
					<u>Limit</u>	<u>S)</u>
						<u>Weighted</u>
154	Long Term Debt (Note T) Worksheet M, ln 28, col. (g), ln 38, col. (d))		-	0.00%	0.00%	-
155	Preferred Stock (ln 149)		-	0.00%	0.00%	-
156	Common Stock (ln 152)		-	0.00%	0.00%	10.35%
157	Total (Sum lns 154 to 156)		-			<b>WACC= 0.0000</b>
158.	Capital Structure Equity Limit (Note Z)	55%				

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

**Letter Notes**

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

- A Revenue credits include:
- 1) Forfeited Discounts.
  - 2) Miscellaneous Service Revenues.
  - 3) Rental revenues earned on assets included in the rate base.
  - 4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.
  - 5) Other electric revenues.
  - 6) Revenues for grandfathered PTP contracts included in the load divisor.
  - 7) If AEP East companies have any directly assigned transmission facilities, the revenue credits in the AEP East formula rate shall include all revenues associated with those directly assigned transmission facilities, irrespective of whether the loads of the customer are included in the formula rate divisor; provided however, such addition to revenue credits shall not be reflected if the costs of such directly assigned transmission facilities are not included in the transmission plant balances on which the formula rate ATRR is based.
- See Worksheet E for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's. Interest will be calculated based on Worksheet Q and any over under recovery will be filed and posted as part of the informational filing.
- C Transmission Plant Balances in this study are projected or actual average 13-month balances.
- D The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow through and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking the calculation of ADIT in the annual projection will be performed in accordance with IRS regulation Section 1.167(I)-(h)(6)(ii). RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B. The company will not include the ADIT portion of deferred hedge gains and losses in rate base. Detailed balances for the projected or actual period, distinguished between utility and non-utility balances, will be filed and posted as part of the information filing.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 78. It excludes:
- 1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 75.
  - 2) Costs of Transmission of Electricity by Others, as described in Note H.
  - 3) The impact of state regulatory deferrals and amortizations, as shown on line 77
  - 4) All A&G Expenses, as shown on line 93.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 67 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 127.
- G Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 16 & 17 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- H Removes cost of transmission service provided by others to determine the basis of cash working capital on line 78. To the extent such service is incurred to provide the PJM service at issue, e.g. lease payments to affiliates, such cost is added back on line 95 to determine the total O&M collected in the formula. The amount on line 95 is also excluded in the calculation of the FCR percentage calculated on lines 6 through 12. The addbacks on line 95 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity. The company records referenced on line 95 is the COMPANY NAME HERE general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from Transmission O&M expense.
- J General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K These deductions on lines 81 through 83 are to remove from the cost of service the expenses recorded by the company for Postemployment Benefits Other than Pensions (PBOP). See Note M below for the recoverable PBOP expense.
- L Expenses recorded in FERC Accounts 928 (Regulatory Commission Expense), 930.1 (Safety Related Advertising) and 930.2 (Miscellaneous General Expenses) that are not directly related to or properly allocable to transmission service will be removed from the TCOS. If AEP includes any expenses booked to these accounts in future ATRR updates, AEP must provide supporting information demonstrating that the underlying activities are directly related to providing transmission service. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M See note K above. Per the settlement in Docket ER08-1329, recoverable PBOP expense is based on an annual total for the operating companies that is ratioed to them based on the total of actual annual PBOP costs, including charges from the AEP Service Corporation. The calculation of the recoverable amount for each company is shown on Worksheet O.
- N Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
- O The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT. A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f).  
(ln 118) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.
- Inputs Required:
- |       |       |   |
|-------|-------|---|
| FIT = | 0.00% |   |
| SIT = | 0.00% | (State Income Tax Rate or Composite SIT. Worksheet G)         |
| p =   | 0.00% | (percent of federal income tax deductible for state purposes) |
- The formula rate shall reflect the applicable state and federal statutory tax rates in effect during the period the calculated estimated unit charges are applicable. If the statutory tax rates change during such period, the effective tax rates used in the formula shall be weighted by the number of days the pre-change rate and post-change rate each is in effect.
- P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- S Long Term Debt cost rate = long-term interest (ln 145) / average long term debt (ln 154). Preferred Stock cost rate = preferred dividends (ln 146) / preferred outstanding (ln 155). Common Stock cost rate (ROE) = 10.35%, per the settlement in FERC Docket No. EL17-13. It includes an additional 50 basis points for PJM RTO membership. The amount of eligible hedging gains or losses included in total interest expense is limited to five basis points of the capital structure. Details and calculations of the weighted average cost of capital are shown on Worksheet M. Eligible Hedging Gains and Losses are computed on Worksheet M. The unamortized balance of eligible hedge gains/losses and related ADIT amounts shall not flow through the formula rate.
- T The Long Term Debt balance for I&M includes the accumulated balance of principle and related interest for Spent Nuclear Fuel Disposal Costs collected prior to April 7, 1983. This total balance of \_\_\_\_\_ at 12/31/\_\_\_\_ is not included in the balance in line 154 above. The cost rates for long-term debt shall include interest expense and related periodic expenses (such as remarketing and letter of credit fees) as recorded in FERC Account 427 or 430, amortization of issuance costs (including insurance) and discounts as recorded in FERC Account 428, issuance

- premiums as recorded in FERC Account 429 and losses or gains on reacquired debt as recorded in FERC Accounts 428.1 or 429.1, respectively. The cost rates for preferred stock (if applicable) shall include the dividends.
- U Excess / (Deficit) Deferred Income Taxes will be amortized over the average remaining life of the assets to which it relates, unless the Commission requires a different amortization period. The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State tax calculations that are not the result of a timing difference, including but not limited to depreciation related to capitalized AFUDC equity and meals and entertainment deductions. The Tax Effect of Flow-Through differences captures current tax expense related to timing differences on items for which tax deductions were used to reduce customer rates through the use of flow-through accounting in a prior period. Transmission balances for the projected or actual period, will be filed and posted as part of the informational filing.
- V Cash investment in prepaid pension and benefits recorded in FERC Account 165 is permitted to be included in the formula. A labor expense allocation factor will be used to allocate total company costs. All other prepayments recorded in FERC Account 165 are directly assigned to the transmission function, allocated or excludable balances detailed on Worksheet C.
- W The formula rate shall allocate property tax expense based on the as filed net plant cost allocation method detailed on Worksheet H.
- X Under Section 30.9 of the PJM OATT, a network customer that owns existing transmission facilities that are integrated with the Transmission Provider's Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. Calculation of any credit under this subsection, pursuant to approval by FERC for inclusion in this formula rate for collection on behalf of the network customer, shall be addressed in either the Network Customer's Service Agreement or any other agreement between the parties.
- Y The cost of service will make a rate base adjustment to remove unfunded reserves associated with contingent liabilities recorded to Accounts 228.1-228.4 from rate base.
- Z Per the settlement in EL17-13, equity is limited to 55% of the Company's capital structure. If the percentage of actual equity exceeds the cap, the excess is included as long term debt in the capital structure.

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet A Rate Base  
 Company Name Here

		Gross Plant In Service								
Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
	<b>(Note A)</b>	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 46	FF1, page 205&204, Col.(g)&(b), Ins 15,24,34,44	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 58	Acct. 359.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), In 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 75	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 74	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 99	Acct. 399.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), In 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 5
1	December Prior to Rate Year									
2	January									
3	February									
4	March									
5	April									
6	May									
7	June									
8	July									
9	August									
10	September									
11	October									
12	November									
13	December of Rate Year									
14	Average of the 13 Monthly Balances	-	-	-	-	-	-	-	-	-

		Accumulated Depreciation								
Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
	<b>(Note A)</b>	FF1, page 219, Ins 20-24, Col. (b)	Company Records (Included in total in Column (b))	FF1, page 219, In 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, In 26, Col. (b)	Company Records (Included in total in Column (f))	FF1, page 219, In 28, Col. (b)	Company Records (Included in total in Column (h))	FF1, page 200, In 21, Col. (b)
15	December Prior to Rate Year									
16	January									
17	February									
18	March									
19	April									
20	May									
21	June									
22	July									
23	August									
24	September									
25	October									
26	November									
27	December of Rate Year									
28	Average of the 13 Monthly Balances	-	-	-	-	-	-	-	-	-

Line No	Month (a)	OATT Ancillary Services (GSU) Plant In Service (b)	OATT Ancillary Services (GSU) Accumulated Depreciation (c)	Excluded Plant - Plant In Service (d)	Excluded Plant - Accumulated Depreciation (e)
	<b>(Note A)</b>	Company Records (included in total in column (d) of gross plant above)	Company Records (included in total in column (b) of accumulated depreciation above)	Company Records	Company Records
29	December Prior to Rate Year				
30	January				
31	February				
32	March				
33	April				
34	May				
35	June				
36	July				
37	August				
38	September				
39	October				
40	November				
41	December of Rate Year				



42	Average of the 13 Monthly Balances	-	-	-	-
----	------------------------------------	---	---	---	---

43 Transmission Accum Depreciation net of GSU -

<u>Plant Held For Future Use</u>	<u>Source of Data</u>	<u>Balance @ December 31, 2017</u>	<u>Balance @ December 31, 2016</u>	<u>Average Balance for 2017</u>
(a)	(b)	(c)	(d)	(e)
44 <b>Plant Held For Future Use</b>	FF1, page 214, ln 47, Col. (d)	-	-	-
45 <b>Transmission Plant Held For Future Use (Included in total on line 44)</b>	Company Records - Note 1	-	-	-

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

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

46		-	-	-
47		-	-	-
48		-	-	-
49		-	-	-
50		-	-	-

51 Total Regulatory Deferrals Included in Ratebase - - -

**Unfunded Reserves Summary (Company Records)**

	<u>Description</u>	<u>Account</u>			
52			-	-	-
53a			-	-	-
53b			-	-	-
54		Total	-	-	-

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

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet B Supporting ADIT and ITC Balances  
 COMPANY NAME HERE

<u>Line</u> <u>Number</u>	<u>(A)</u> <u>Description</u>	<u>(B)</u> <u>Source</u>	<u>(C)</u> <u>Balance @</u> <u>December 31, Rate</u> <u>Year</u>	<u>(D)</u> <u>Balance @</u> <u>December 31, Rate</u> <u>Year-1</u>	<u>(E)</u> <u>Average Balance for</u> <u>Rate Year</u>
1	<b><u>Account 281</u></b>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, Col. (k)			-
3	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 4 (Note 1)			-
4	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 3 (Note 1)			-
5	Transmission Related Deferrals	Ln 2 - ln 3 - ln 4	-	-	-
6	<b><u>Account 282</u></b>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, ln 5, Col. (k)			-
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)			-
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)			-
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	-	-	-
11	<b><u>Account 283</u></b>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, ln 9, Col. (k)			-
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)			-
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)			-
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	-	-	-
16	<b><u>Account 190</u></b>				
17	Year End Utility Deferrals	FF1, p. 234, ln 8, Col. (c)			-
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)			-
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)			-
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	-	-	-
21	<b><u>Account 255</u></b>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)			-
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1			-
24	ITC Balances Includeable Ratebase	Ln 22 - ln 23	-	-	-
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)			-

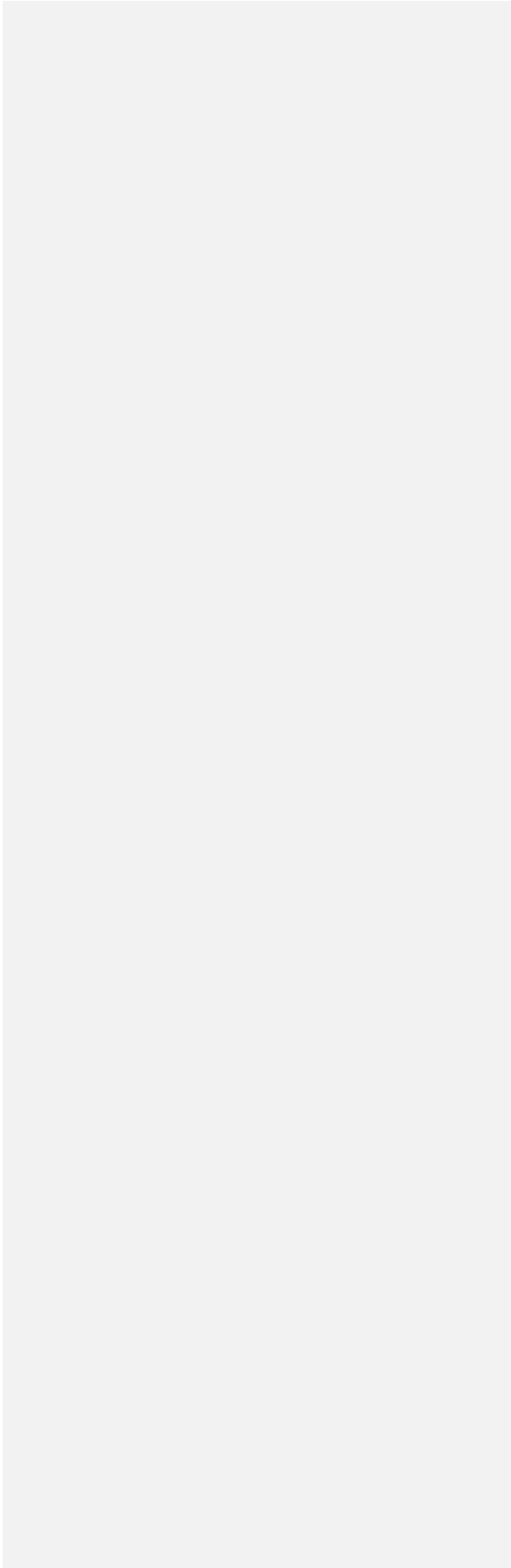
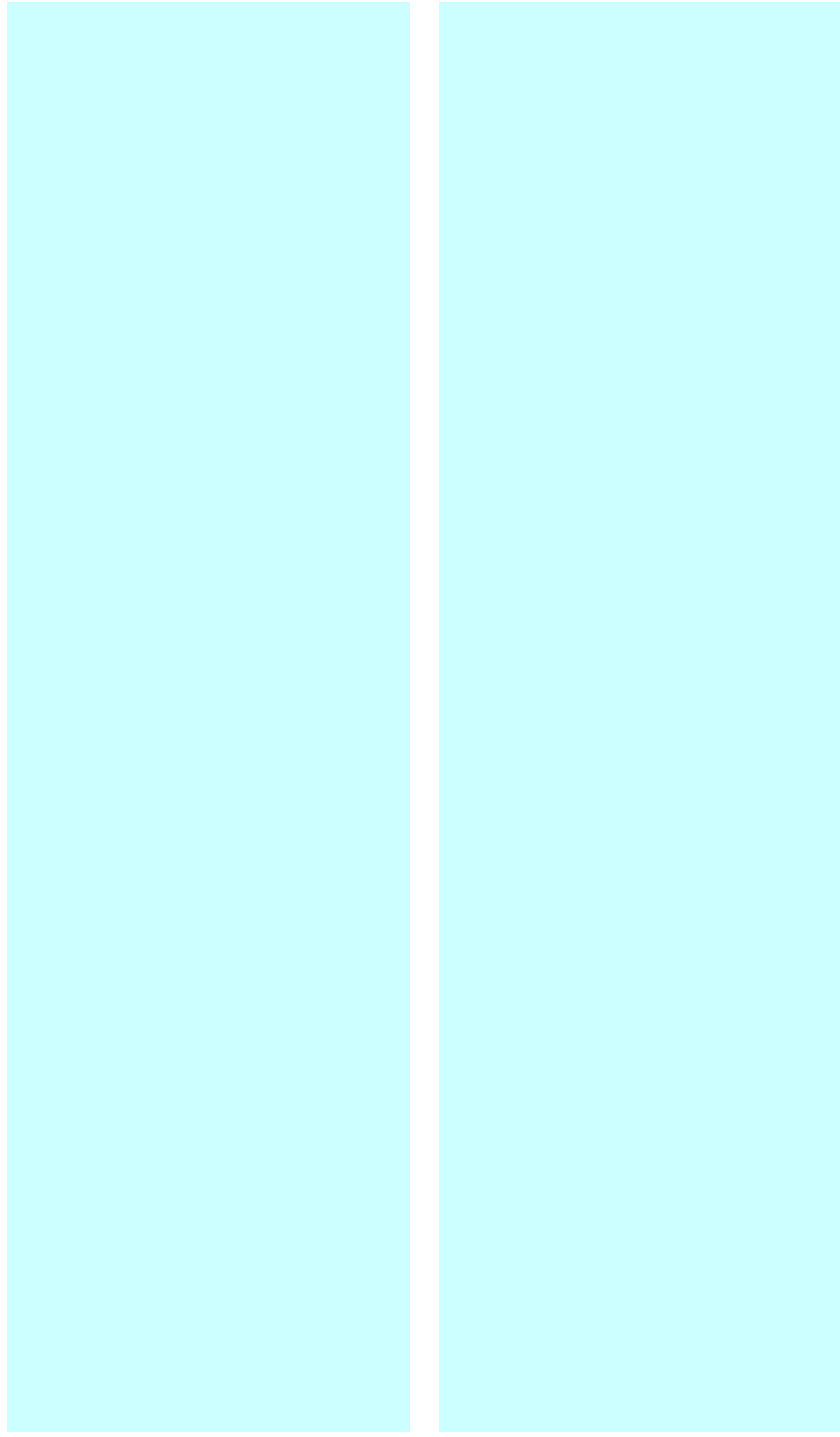
On this worksheet, "Company Records" refers to AEP's tax forecast and accounting ledger. The PTRR will use projected ending balances and reflect proration required by IRS Letter Rule Section 1.167(I)-I(h)(6)(ii). Line item detail of actual deferred tax items will be included on Worksheets B-1 and B-2.

NOTE 1  
 NOTE 2 ADIT balances should exclude balances related to hedging activity.

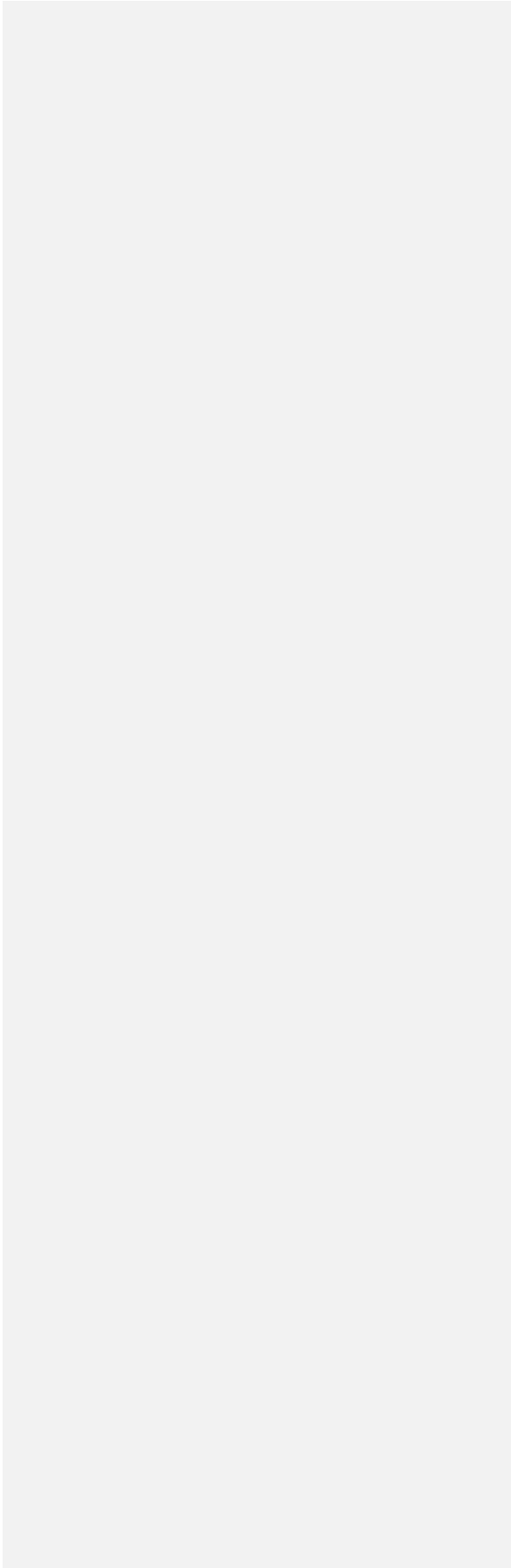
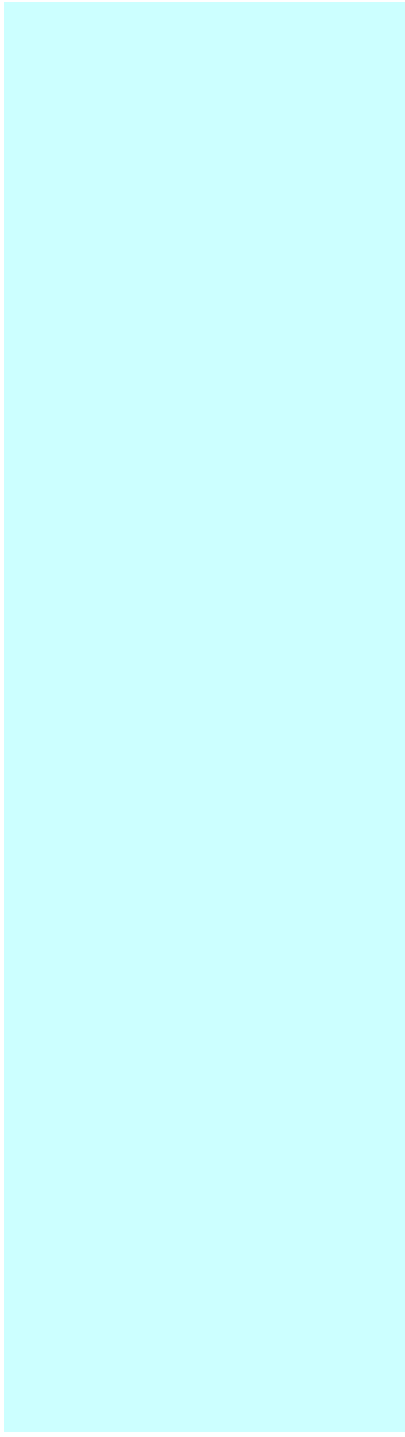
Company Name Here  
 SPECIFIED DEFERRED CREDITS -  
 Actual Cycle Only  
 PERIOD ENDED DECEMBER 31, 2017

COLUMN A	(DEBIT) CREDIT					COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F									
ACCUMULATED DEFERRED FIT ITEMS	PER BOOKS		NON- APPLICABLE/NON- UTILITY		AVERAGE ELECTRIC UTILITY (B+C+D+E) /2	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2016			FUNCTIONALIZATION 12/31/2017		
	BALANC E AS OF 12- 31-2016	BALANC E AS OF 12- 31-2017	BALANCE AS OF 12-31- 2016	BALANCE AS OF 12-31- 2017		GENERA TION	TRANSMI SSION	DISTRIBU TION	GENERA TION	TRANSMI SSION	DISTRIBU TION	GENERA TION	TRANSMI SSION	DISTRIBU TION
1.0 0 ACCOUNT 281:														
2.0 1														
2.0 2	0	0			0	0	0	0						
2.0 3														
2.0 4	0	0	0	0	0									
2.0 5	0	0	0	0	0									
2.0 6	0	0	0	0	0									
3 TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 ACCOUNT 282:														
5.0 1	0	0			0	0	0	0						
5.0 2	0	0			0	0	0	0						

5.0 3	0	0	0	0	0	0
5.0 4	0	0	0	0	0	0
5.0 5	0	0	0	0	0	0
5.0 6	0	0	0	0	0	0
5.0 7	0	0	0	0	0	0
5.0 8	0	0	0	0	0	0
5.0 9	0	0	0	0	0	0
5.1 0	0	0	0	0	0	0
5.1 1	0	0	0	0	0	0
5.1 2	0	0	0	0	0	0
5.1 3	0	0	0	0	0	0
5.1 4	0	0	0	0	0	0
5.1 5	0	0	0	0	0	0
5.1 6	0	0	0	0	0	0
5.1 7	0	0	0	0	0	0
5.1 8	0	0	0	0	0	0
5.1 9	0	0	0	0	0	0
5.2 0	0	0	0	0	0	0

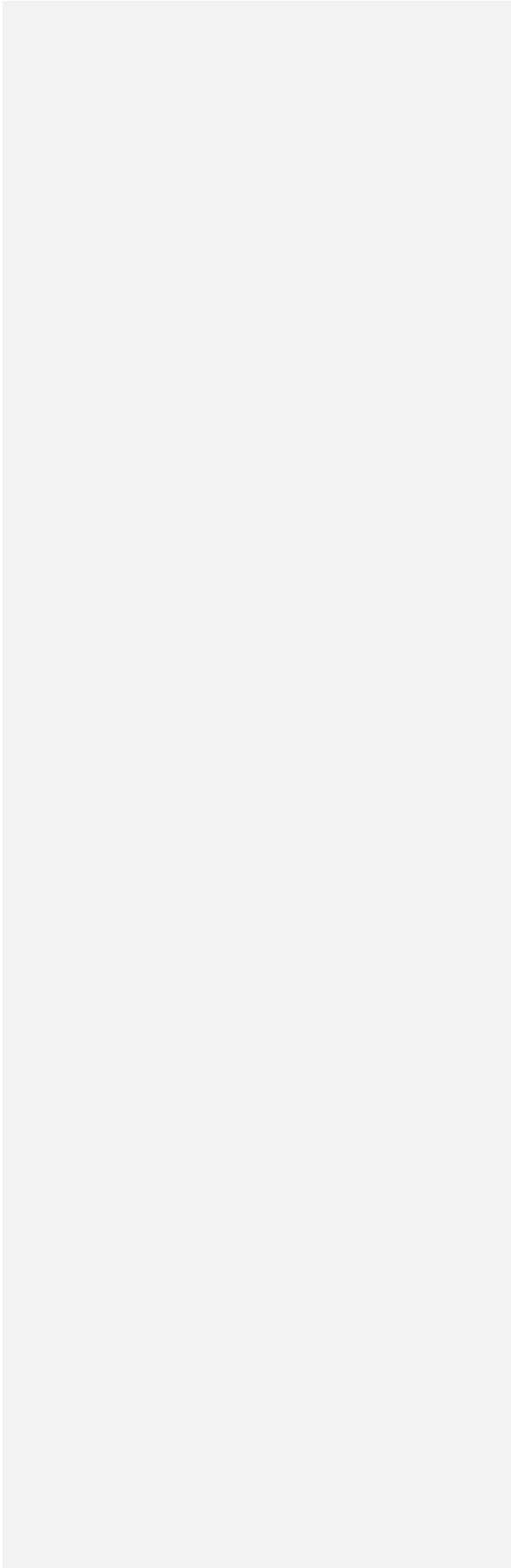


5.2 1	0	0	0	0	0	0
5.2 2	0	0	0	0	0	0
5.2 3	0	0	0	0	0	0
5.2 4	0	0	0	0	0	0
5.2 5	0	0	0	0	0	0
5.2 6	0	0	0	0	0	0
5.2 7	0	0	0	0	0	0
5.2 8	0	0	0	0	0	0
5.2 9	0	0	0	0	0	0
5.3 0	0	0	0	0	0	0
5.3 1	0	0	0	0	0	0
5.3 2	0	0	0	0	0	0
5.3 3	0	0	0	0	0	0
5.3 4	0	0	0	0	0	0
5.3 5	0	0	0	0	0	0
5.3 6	0	0	0	0	0	0
5.3 7	0	0	0	0	0	0
5.3 8	0	0	0	0	0	0

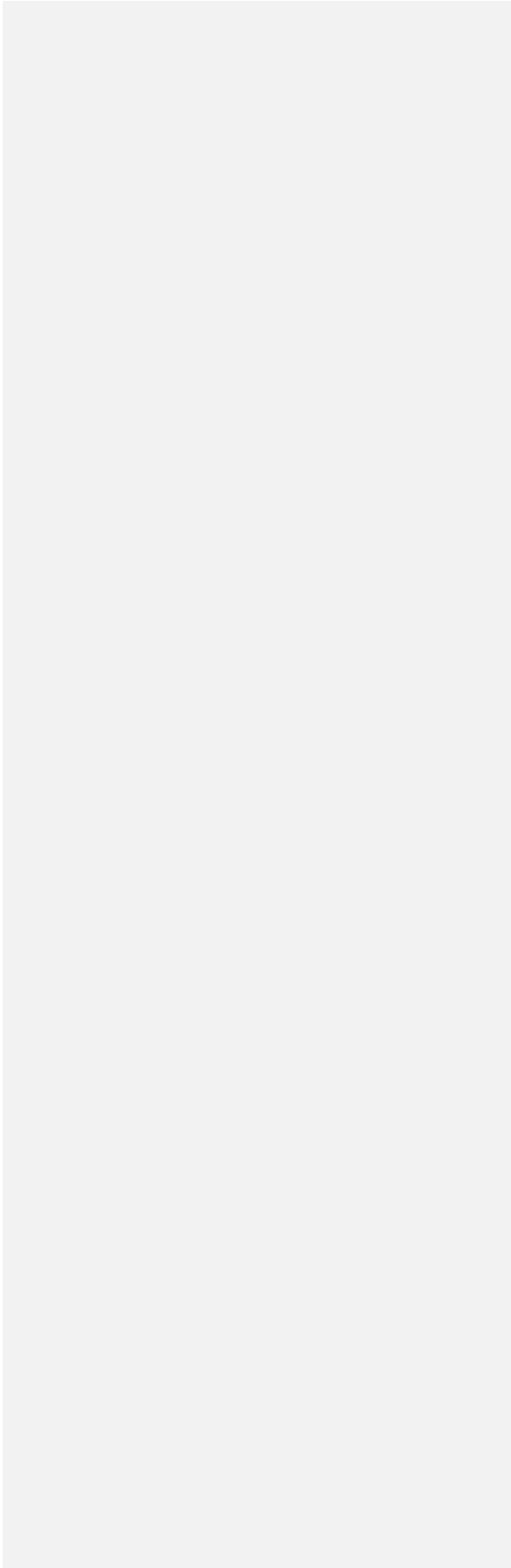


5.3 9			0	0	0								
5.4 0			0	0	0								
5.4 1			0	0	0								
6	TOTAL ACCOUNT 282		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
7	ACCOUNT 282 - ARO-Related Deferrals		0	0	0	0	0	0	0	0	0	0	0
8	ACCOUNT 283:												
9.0 1		0	0		0	0	0	0					
9.0 2		0	0		0	0	0	0					
9.0 3		0	0		0	0	0	0					
9.0 4		0	0		0	0	0	0					
9.0 5		0	0		0	0	0	0					
9.0 6		0	0		0	0	0	0					
9.0 7		0	0		0	0	0	0					
9.0 8		0	0		0	0	0	0					
9.0 9		0	0		0	0	0	0					
9.1 0		0	0		0	0	0	0					
9.1 1		0	0		0	0	0	0					
9.1 2		0	0		0	0	0	0					
9.1 3		0	0		0	0	0	0					

9.1 4	0	0	0	0	0	0
9.1 5	0	0	0	0	0	0
9.1 6	0	0	0	0	0	0
9.1 7	0	0	0	0	0	0
9.1 8	0	0	0	0	0	0
9.1 9	0	0	0	0	0	0
9.2 0	0	0	0	0	0	0
9.2 1	0	0	0	0	0	0
9.2 2	0	0	0	0	0	0
9.2 3	0	0	0	0	0	0
9.2 4	0	0	0	0	0	0
9.2 5	0	0	0	0	0	0
9.2 6	0	0	0	0	0	0
9.2 7	0	0	0	0	0	0
9.2 8	0	0	0	0	0	0
9.2 9	0	0	0	0	0	0
9.3 0	0	0	0	0	0	0
9.3 1	0	0	0	0	0	0

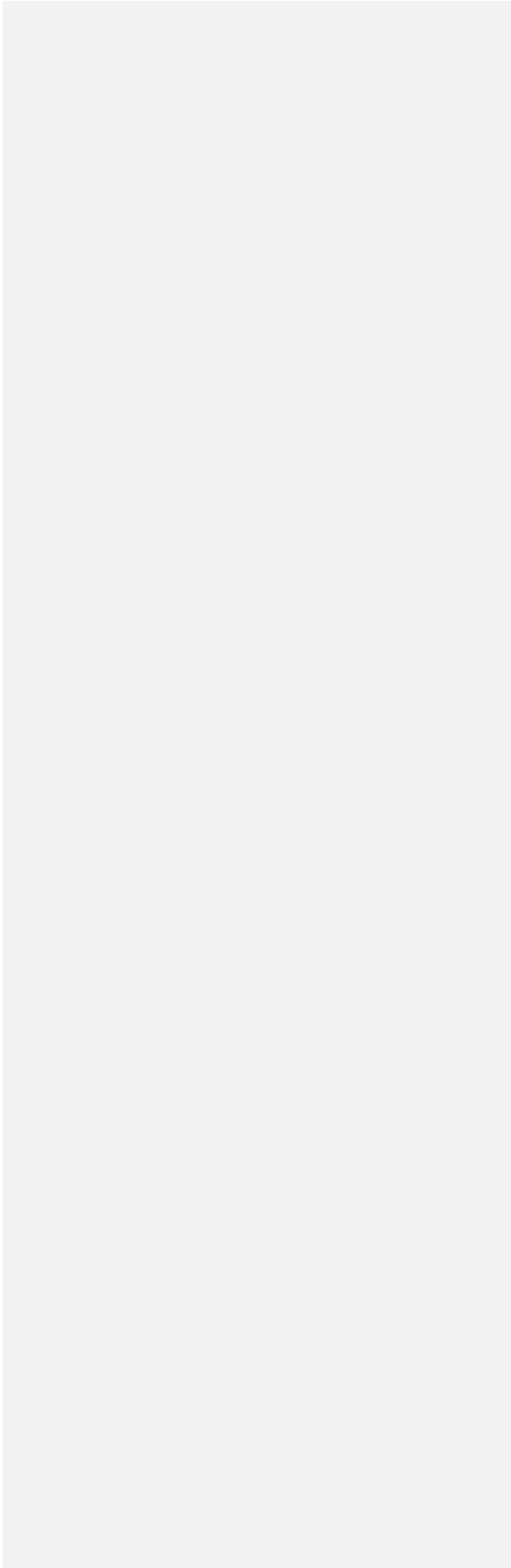
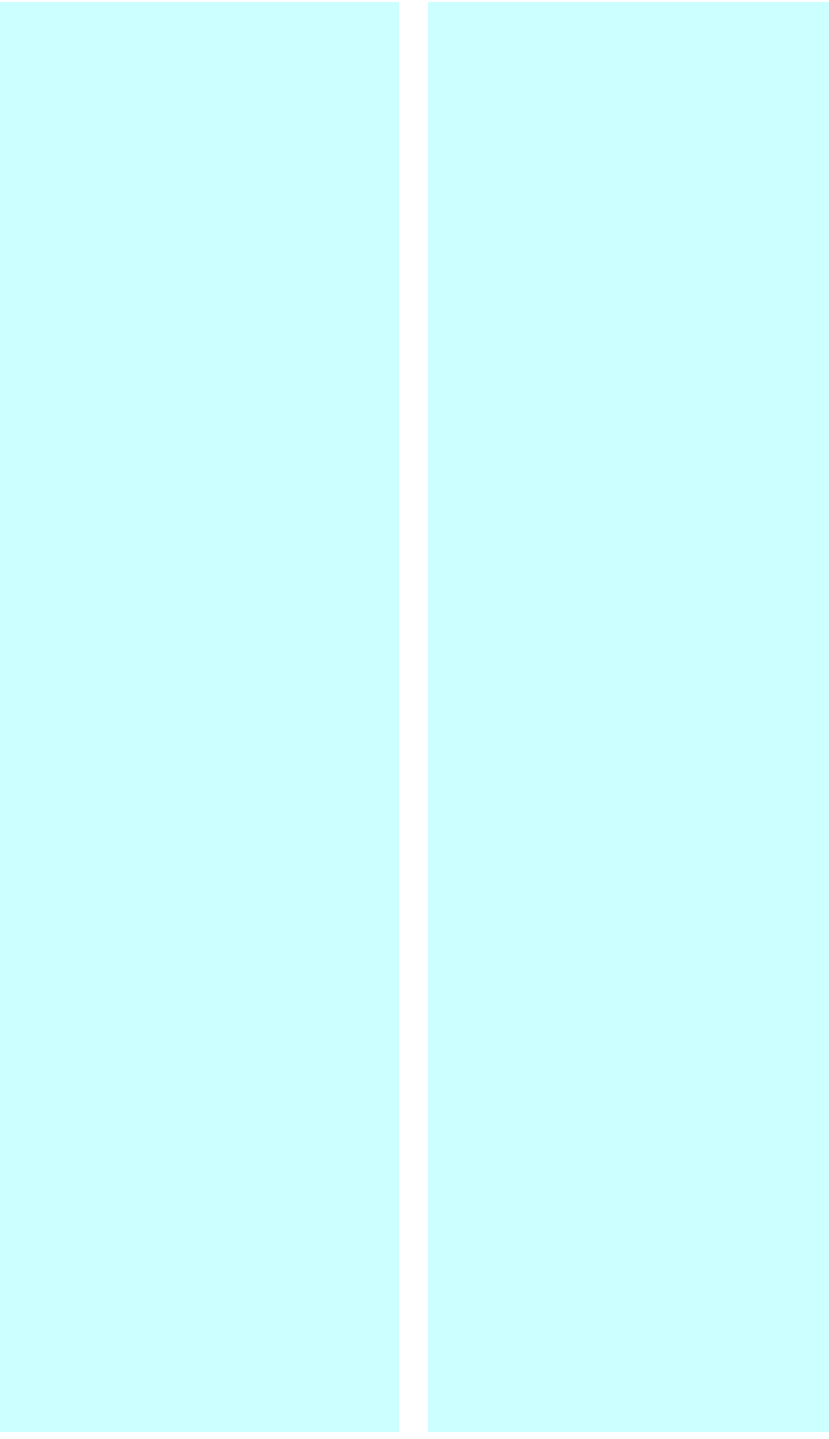


9.3 2	0	0	0	0	0	0
9.3 3	0	0	0	0	0	0
9.3 4	0	0	0	0	0	0
9.3 5	0	0	0	0	0	0
9.3 6	0	0	0	0	0	0
9.3 7	0	0	0	0	0	0
9.3 8	0	0	0	0	0	0
9.3 9	0	0	0	0	0	0
9.4 0	0	0	0	0	0	0
9.4 1	0	0	0	0	0	0
9.4 2	0	0	0	0	0	0
9.4 3	0	0	0	0	0	0
9.4 4	0	0	0	0	0	0
9.4 5	0	0	0	0	0	0
9.4 6	0	0	0	0	0	0
9.4 7	0	0	0	0	0	0
9.4 8	0	0	0	0	0	0
9.4 9	0	0	0	0	0	0

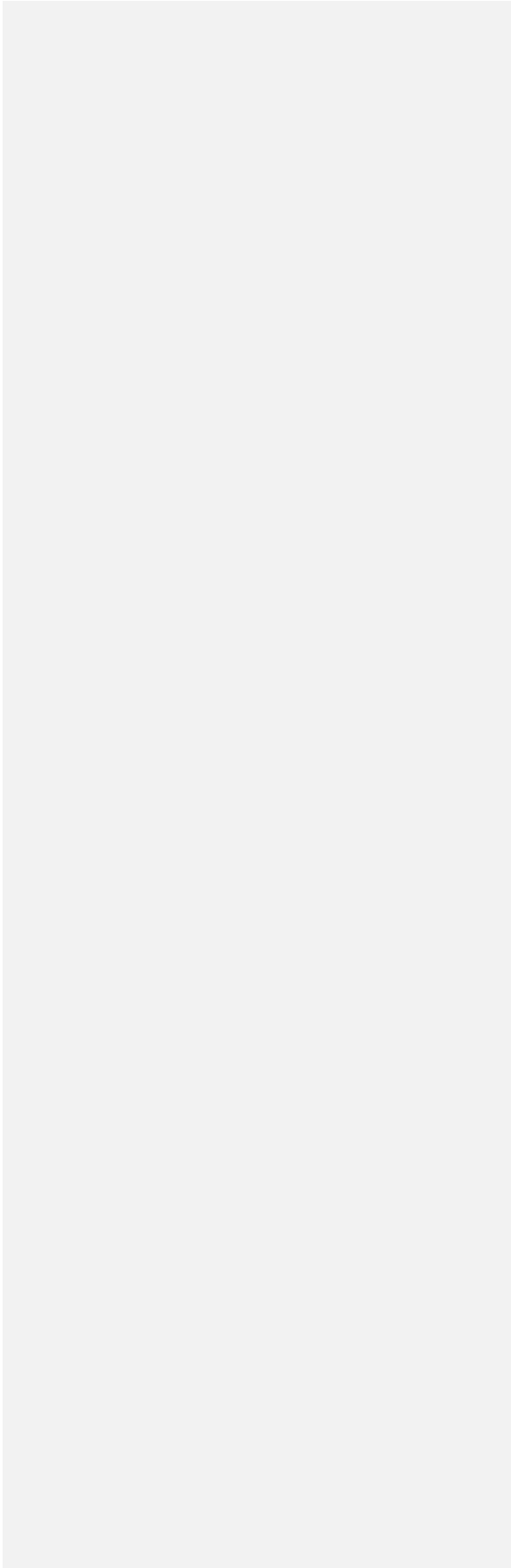
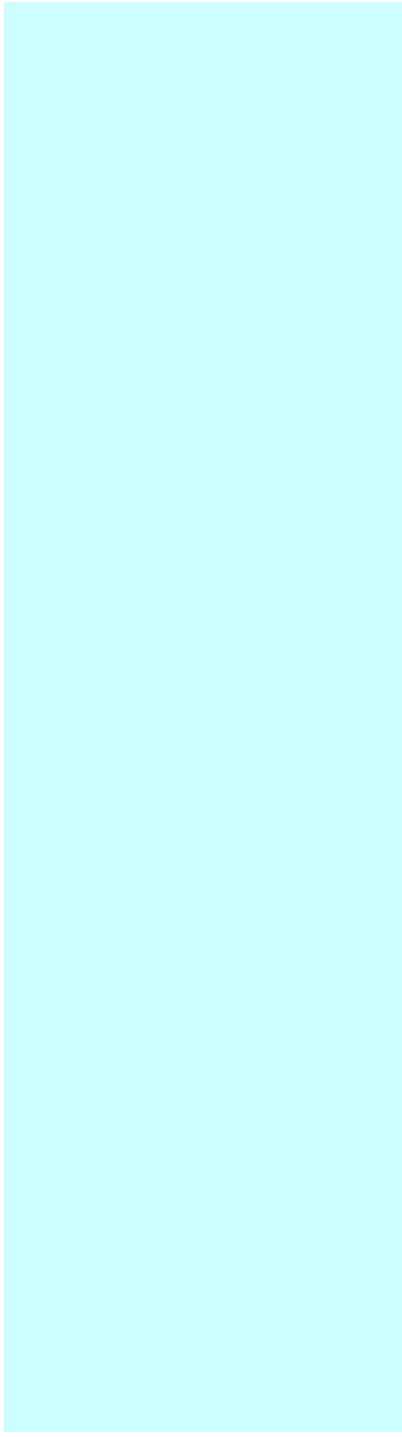




9.5 0	0	0	0	0	0	0
9.5 1	0	0	0	0	0	0
9.5 2	0	0	0	0	0	0
9.5 3	0	0	0	0	0	0
9.5 4	0	0	0	0	0	0
9.5 5	0	0	0	0	0	0
9.5 6	0	0	0	0	0	0
9.5 7	0	0	0	0	0	0
9.5 8	0	0	0	0	0	0
9.5 9	0	0	0	0	0	0
9.6 0	0	0	0	0	0	0
9.6 1	0	0	0	0	0	0
9.6 2	0	0	0	0	0	0
9.6 3	0	0	0	0	0	0
9.6 4	0	0	0	0	0	0
9.6 5	0	0	0	0	0	0
9.6 6	0	0	0	0	0	0
9.6 7	0	0	0	0	0	0



9.6 8	0	0	0	0	0	0
9.6 9	0	0	0	0	0	0
9.7 0	0	0	0	0	0	0
9.7 1	0	0	0	0	0	0
9.7 2	0	0	0	0	0	0
9.7 3	0	0	0	0	0	0
9.7 4	0	0	0	0	0	0
9.7 5	0	0	0	0	0	0
9.7 6	0	0	0	0	0	0
9.7 7	0	0	0	0	0	0
9.7 8	0	0	0	0	0	0
9.7 9	0	0	0	0	0	0
9.8 0	0	0	0	0	0	0
9.8 1	0	0	0	0	0	0
9.8 2	0	0	0	0	0	0
9.8 3	0	0	0	0	0	0
9.8 4	0	0	0	0	0	0
9.8 5	0	0	0	0	0	0



9.8 6	0	0	0	0	0	0	0	0	0		
9.8 7	0	0	0	0	0	0	0	0	0		
9.8 8	0	0	0	0	0	0	0	0	0		
9.8 9	0	0	0	0	0	0	0	0	0		
9.9 0	0	0	0	0	0	0	0	0	0		
9.9 1	0	0	0	0	0	0	0	0	0		
9.9 2	0	0	0	0	0	0	0	0	0		
9.9 3	0	0	0	0	0	0	0	0	0		
9.9 4			0	0	0						
9.9 5			0	0	0						
9.9 6			0	0	0						
9.9 7			0	0	0						
9.9 8			0	0	0						
9.9 9			0	0	0						
10	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
11 DEF STATE INCOME TAXES	0	0			0	0	0	0			
11.01			0	0	0						
12 TOTAL ACCOUNT 283	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
13 ACCOUNT 283 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0

14 JURISDICTIONAL AMOUNTS  
FUNCTIONALIZED

15 TOTAL COMPANY AMOUNTS  
FUNCTIONALIZED

16 REFUNCTIONALIZED BASED ON  
JURISDICTIONAL PLANT

17 NOTE: POST 1970 ACCUMULATED  
DEFERRED

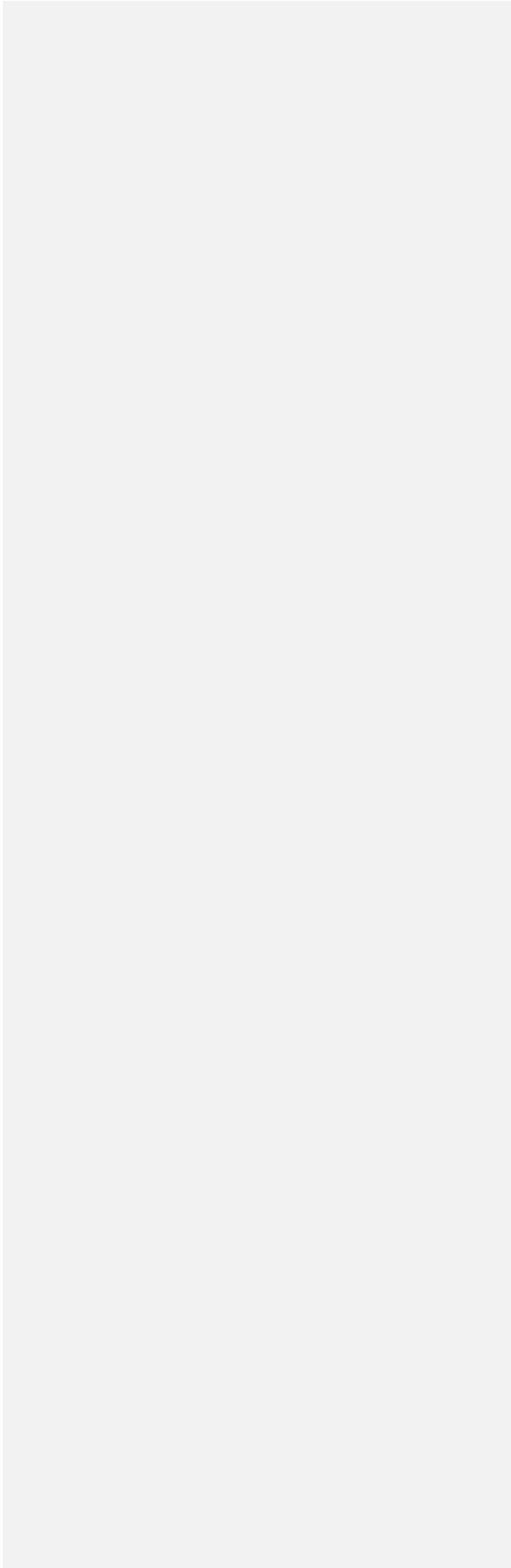
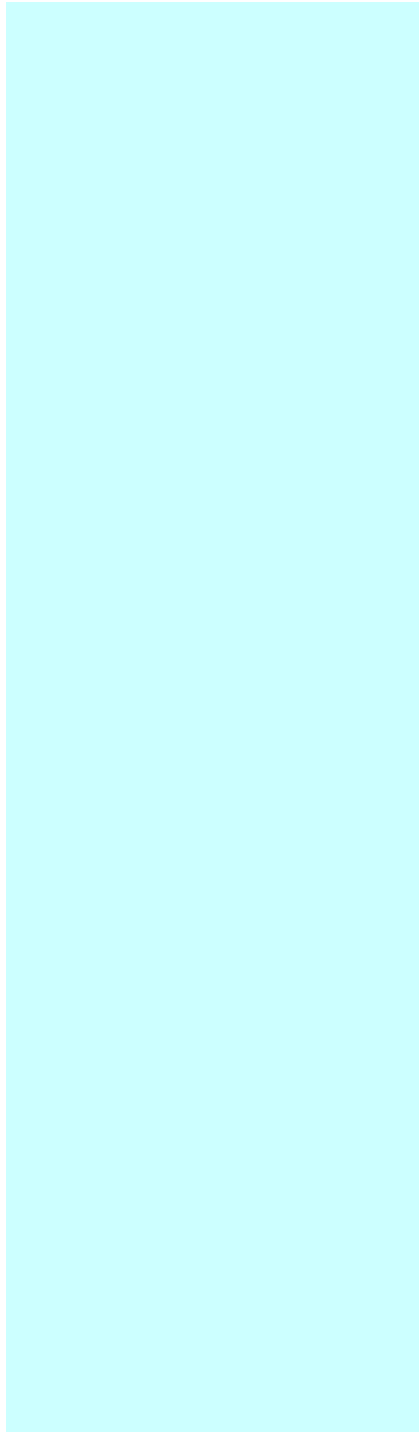
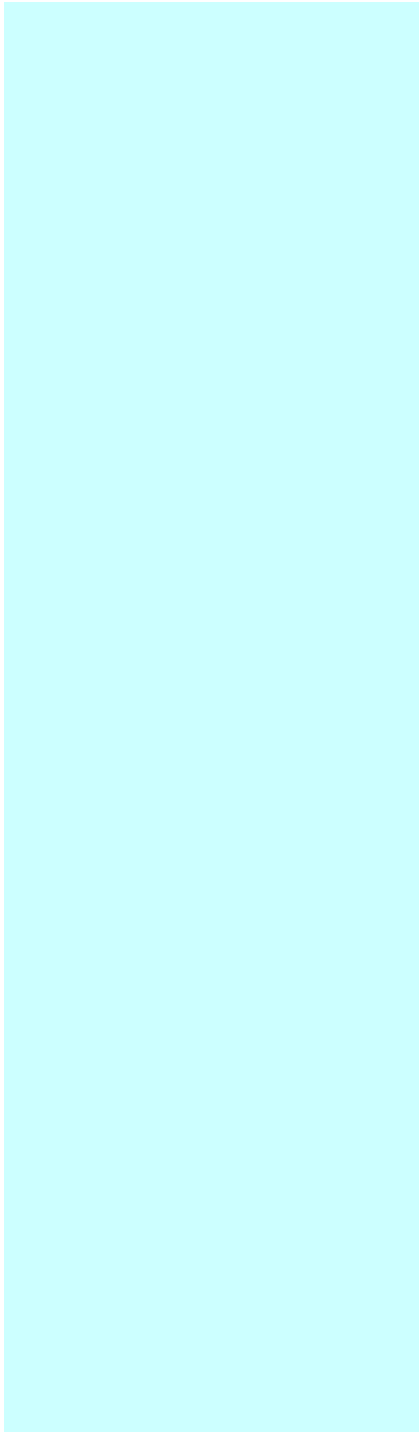
18 255 INV TAX CRED. (JDITC) IN A/C

18.01	0	0			0	0	0	0						
18.02	0	0			0	0	0	0						
19														
20	TOTAL ACCOUNT 255	0	0	0	0	0	0	0	0	0	0	0	0	0

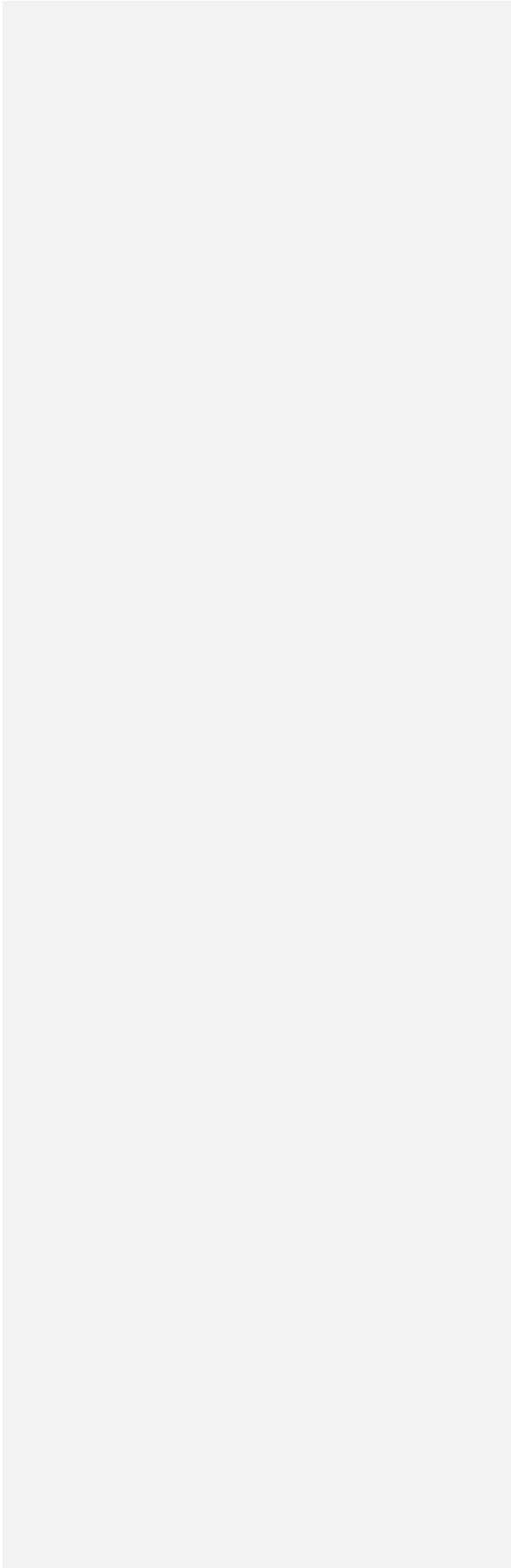
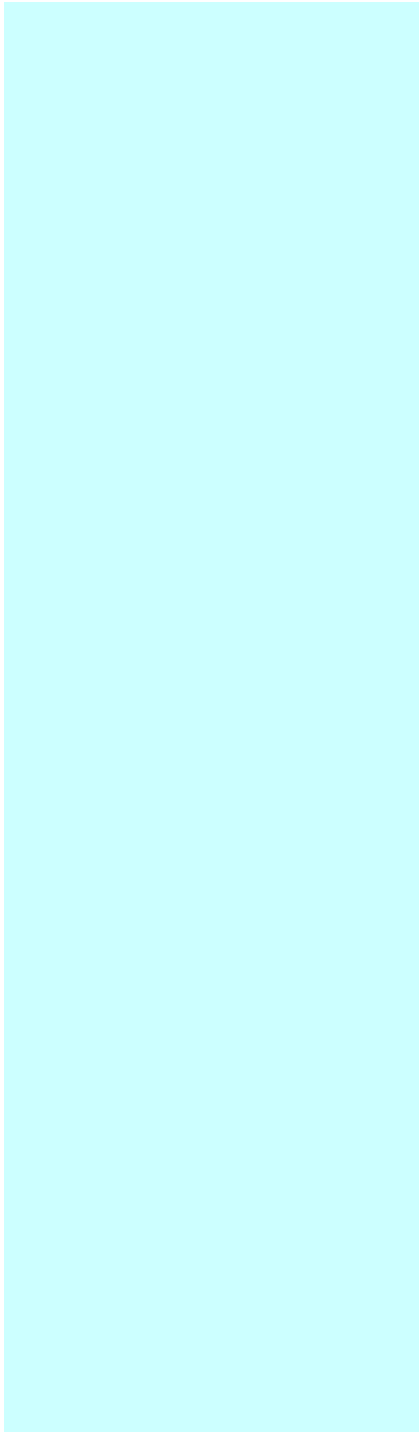
Company Name Here  
**ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT**  
**190 - Actual Cycle Only**  
**PERIOD ENDED DECEMBER**  
**31, 2017**

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	DEBIT (CREDIT) COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31- 2016	BALANCE AS OF 12-31- 2017	BALANCE AS OF 12-31- 2016	BALANCE AS OF 12-31- 2017		GENERA TION	TRANSMIS SION	DISTRIBU TION	GENERA TION	TRANSMIS SION	DISTRIBU TION	GENERA TION	TRANSMIS SION	DISTRIBU TION
1 ACCOUNT 190:														
2.0 1	0	0			0	0	0	0						
2.0 2	0	0			0	0	0	0						
2.0 3	0	0			0	0	0	0						
2.0 4	0	0			0	0	0	0						
2.0 5	0	0			0	0	0	0						
2.0 6	0	0			0	0	0	0						
2.0 7	0	0			0	0	0	0						
2.0 8	0	0			0	0	0	0						
2.0 9	0	0			0	0	0	0						
2.1 0	0	0			0	0	0	0						

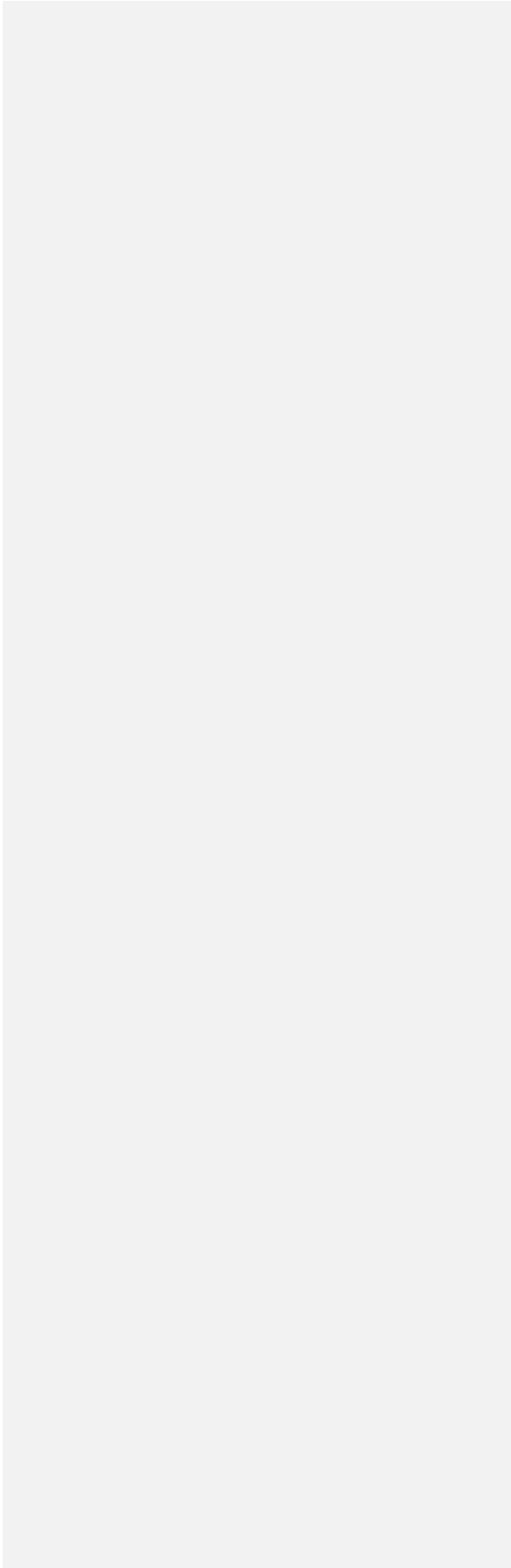
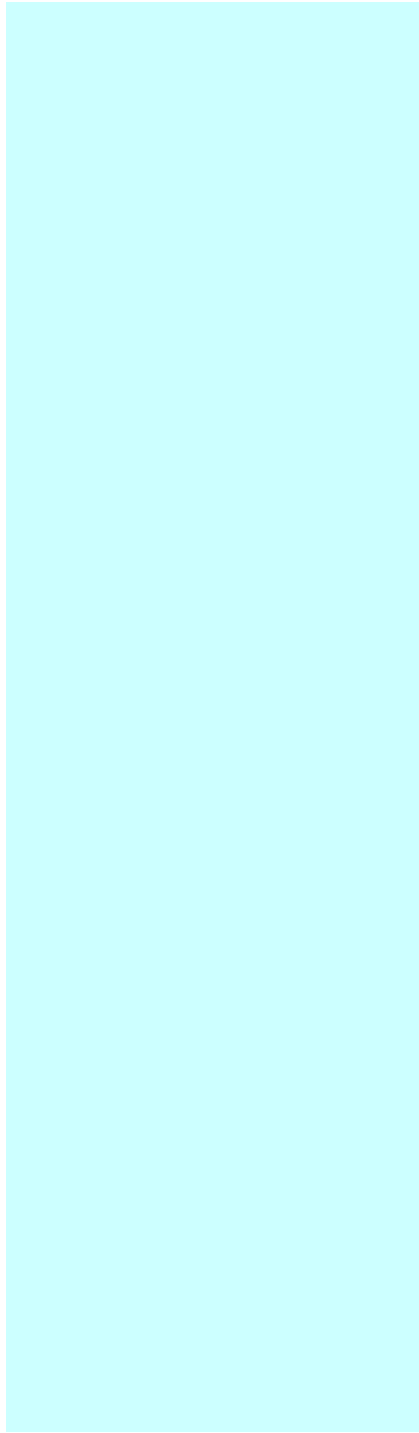
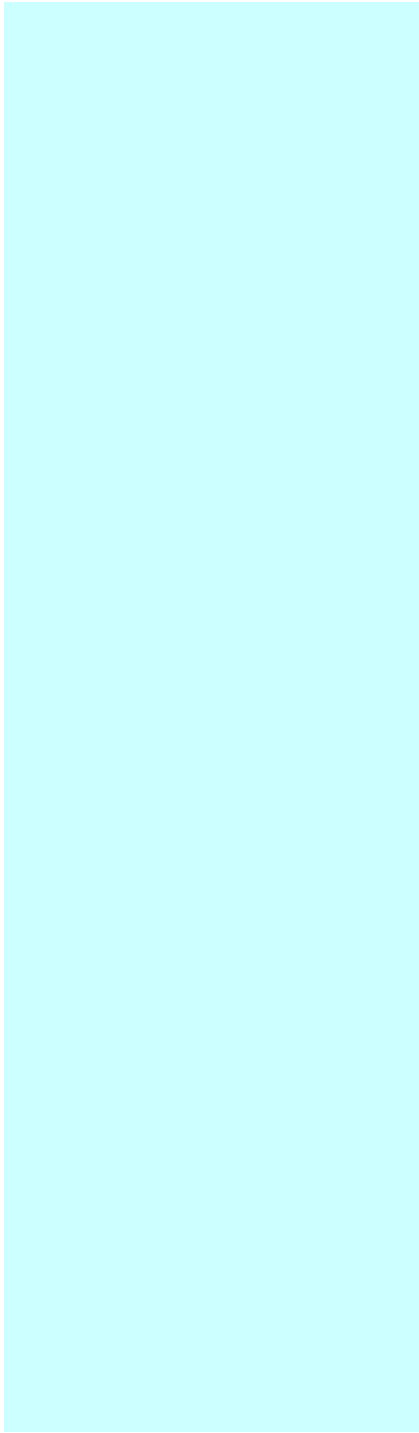
2.1 1	0	0	0	0	0	0
2.1 2	0	0	0	0	0	0
2.1 3	0	0	0	0	0	0
2.1 4	0	0	0	0	0	0
2.1 5	0	0	0	0	0	0
2.1 6	0	0	0	0	0	0
2.1 7	0	0	0	0	0	0
2.1 8	0	0	0	0	0	0
2.1 9	0	0	0	0	0	0
2.2 0	0	0	0	0	0	0
2.2 1	0	0	0	0	0	0
2.2 2	0	0	0	0	0	0
2.2 3	0	0	0	0	0	0
2.2 4	0	0	0	0	0	0
2.2 5	0	0	0	0	0	0
2.2 6	0	0	0	0	0	0
2.2 7	0	0	0	0	0	0
2.2 8	0	0	0	0	0	0



2.2 9	0	0	0	0	0	0	0
2.3 0	0	0	0	0	0	0	0
2.3 1	0	0	0	0	0	0	0
2.3 2	0	0	0	0	0	0	0
2.3 3	0	0	0	0	0	0	0
2.3 4	0	0	0	0	0	0	0
2.3 5	0	0	0	0	0	0	0
2.3 6	0	0	0	0	0	0	0
2.3 7	0	0	0	0	0	0	0
2.3 8	0	0	0	0	0	0	0
2.3 9	0	0	0	0	0	0	0
2.4 0	0	0	0	0	0	0	0
2.4 1	0	0	0	0	0	0	0
2.4 2	0	0	0	0	0	0	0
2.4 3	0	0	0	0	0	0	0
2.4 4	0	0	0	0	0	0	0
2.4 5	0	0	0	0	0	0	0
2.4 6	0	0	0	0	0	0	0

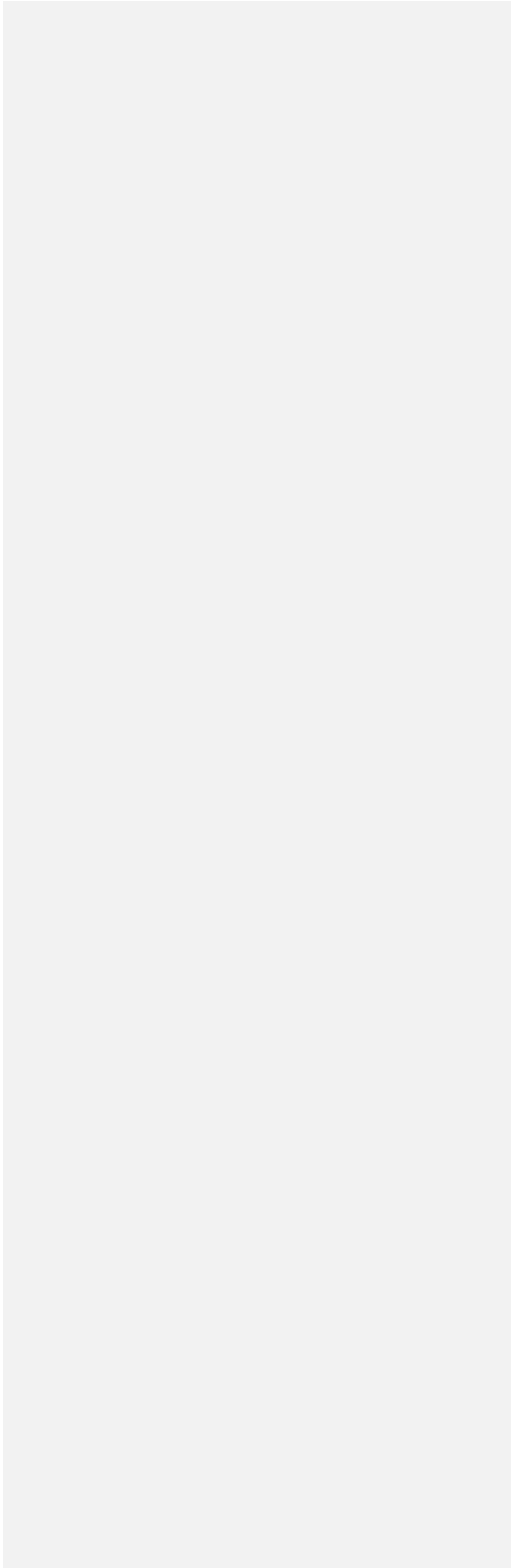
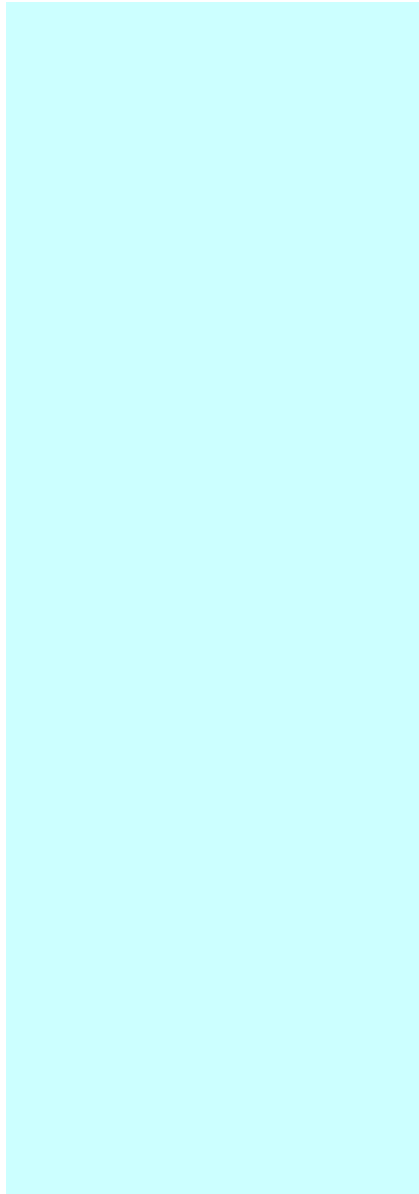
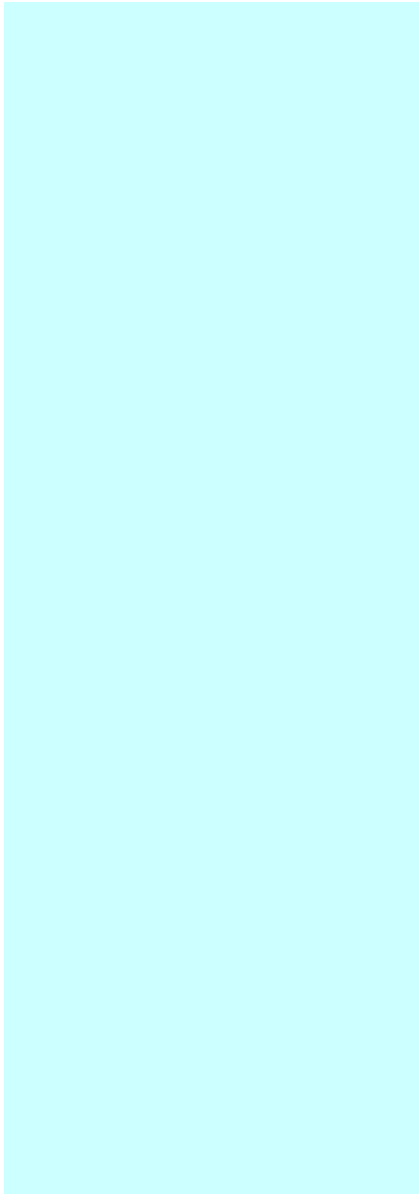


2.4 7	0	0	0	0	0	0
2.4 8	0	0	0	0	0	0
2.4 9	0	0	0	0	0	0
2.5 0	0	0	0	0	0	0
2.5 1	0	0	0	0	0	0
2.5 2	0	0	0	0	0	0
2.5 3	0	0	0	0	0	0
2.5 4	0	0	0	0	0	0
2.5 5	0	0	0	0	0	0
2.5 6	0	0	0	0	0	0
2.5 7	0	0	0	0	0	0
2.5 8	0	0	0	0	0	0
2.5 9	0	0	0	0	0	0
2.6 0	0	0	0	0	0	0
2.6 1	0	0	0	0	0	0
2.6 2	0	0	0	0	0	0
2.6 3	0	0	0	0	0	0
2.6 4	0	0	0	0	0	0





2.6 5	0	0	0	0	0	0	0
2.6 6	0	0	0	0	0	0	0
2.6 7	0	0	0	0	0	0	0
2.6 8	0	0	0	0	0	0	0
2.6 9	0	0	0	0	0	0	0
2.7 0	0	0	0	0	0	0	0
2.7 1	0	0	0	0	0	0	0
2.7 2	0	0	0	0	0	0	0
2.7 3	0	0	0	0	0	0	0
2.7 4	0	0	0	0	0	0	0
2.7 5	0	0	0	0	0	0	0
2.7 6	0	0	0	0	0	0	0
2.7 7	0	0	0	0	0	0	0
2.7 8	0	0	0	0	0	0	0
2.7 9	0	0	0	0	0	0	0
2.8 0		0	0	0			
2.8 1		0	0	0			
2.8 2		0	0	0			



2.8 3			0	0	0								
2.8 4			0	0	0								
2.8 5			0	0	0								
2.8 6			0	0	0								
2.8 7			0	0	0								
2.8 8			0	0	0								
2.8 9			0	0	0								
2.9 0			0	0	0	0	0	0					
2.9 1		0	0		0	0	0	0					
3	TOTAL ACCOUNT 190	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
4	ACCOUNT 190 - ARO-Related Deferals	0	0	0	0	0	0	0	0	0	0	0	0

COMPANY NAME HERE

Worksheet B-3

Excess/ Deficient ADIT Worksheet for Total Company and Functional Balances

For Year Ended December 31, 20

Debit/(Credit)

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A	B	C	D	E	F	G	H
<u>TOTAL COMPANY BALANCES</u>							
Line No.	Account (NOTE A)	Description of Account	Protected Unprotected	Tax Rate Change Act	Excess Balance at Remeasurement (NOTE C)	Amortization Methodology (NOTE D)	Amortization Period
	<u>Deferred Tax Account (NOTE B)</u>						
1a							
1b							
1c							
1d							
1e							
1f							
1g							
1h							
1i							
1j	<u>NOTE E</u>						
	<u>Regulatory Deferral Accounts</u>						
2a	182.3	Regulatory Asset					
2b	254	Regulatory Liability					
2c	<u>NOTE E</u>						
3	Total For Accounting Entires (Sum of Lines 1a through 2 )						

TRANSMISSION FUNCTION BALANCES

	<u>Deferred Tax Account (NOTE B)</u>						
4a							
4b							
4c							
4d							
4e							

4f

4g

4h

**NOTE E**

**Regulatory Deferral Accounts**

5a

182.3

Regulatory Asset

5b

254

Regulatory Liability

5c

**NOTE E**

6

Total For Accounting Entries (Sum of Lines 4a through 5 )



I	J	K	L	M	N	O	P	Q	R
1/1/20	Beginning Balances	Balance Sheet Entries			Tax Expense Entries		12/31/20 Balance	Ending	
Excess ADIT Regulatory Offset	Excess ADIT in Utility Deferrals	Balance Sheet Account Reclassifications	182.3	254	410/411 Excess Amortization	410/411 Deferred Tax Expense/ (Benefit)	Excess ADIT Regulatory Offset	Excess ADIT in Utility Deferrals	Reference

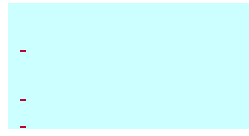
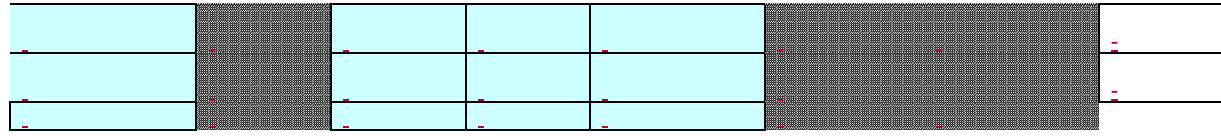
Sum of Cols (I) - (O)									
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

==

NOTE F

Sum of Cols (I) - (O)									
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-



GENERAL NOTE:

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

NOTE A: In order to ensure ratebase neutrality, AEP utilizes the fourth digit of its seven digit FERC Tax subaccount numbers to identify balances associated with utility operations vs regulatory reporting requirements. A "1" in the fourth digit of a FERC tax account refers to the utility operations balances or activity. Accounts with the "1" designation will be included in the determination of ratebase to be recovered in the formula rate. A "4" in the fourth position of the account number indicates accounts used to track regulatory accounting requirements. The excess ADIT amounts recorded in accounts with the "4" designation will be contra to the "1" balance, which will ensure that in the formula rate the excess or deficiency amounts will be part of ratebase, but at the total FERC account level the tax liability or asset will be recorded at the current Federal FIT rate. The amounts recorded in the "4" accounts will be offset on a net basis in the regulatory asset or liability subaccount established for this purpose.

NOTE B: The amount of the FIT gross up to recorded on regulatory assets and liabilities will be reported on the first line of ADIT accounts provided for each specific change in tax rates.

NOTE C: The amounts of the remeasurement shown here are as of the effective date of the change in tax rates and will remain static on this workpaper.

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

NOTE E: In the event of future tax rate changes, additional lines will be inserted in both the Total Company and Transmission Functional sections above as required to reflect any new ADIT or regulatory deferral accounts that may be necessary to track that tax rate change.

NOTE F: The amount of excess amortization entries shown in lines 1a through 1j and 4a through 4h are shown as a debit or credit to the ADIT account from which it is being amortized. The total in line 3 and 6 is the offset recorded to the 410/411 account and will tie to the total company and transmission functional amounts of excess or deficient ADIT amortization shown on line 119 of the cost of service.

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AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet C Supporting Working Capital Rate Base Adjustments  
 COMPANY NAME HERE

(A) <u>Line Number</u>	(B)	(C) <u>Source</u>	(D) <u>Materials &amp; Supplies</u> <u>Balance @ December 31, Rate Year</u>	(E)	(F) <u>Balance @ December 31, Rate Year-1</u>	(G)	(H) <u>Average Balance for Rate Year</u>	(I)
1								
2	Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c) & (b)			-			
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)			-			
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, ln 16, Col. (c) & (b)			-			
<b>Prepayment Balance Summary (Note 1)</b>								
		<u>Average of YE Balance</u>	<u>Excludable Balances</u>	<u>100% Transmission Related</u>	<u>Transmission Plant Related</u>	<u>Transmission Labor Related</u>	<u>Total Included in Ratebase (E)+(F)+(G)</u>	
5	Totals as of December 31, Rate Year	0	0	0	0	0	0	
6	Totals as of December 31, Rate Year-1							
7	<b>Average Balance</b>	-	-	-	-	-	-	

**Prepayments Account 165 - Balance @ 12/31/Rate Year**

(A) <u>Line Number</u>	(B) <u>Acc. No.</u>	(C) <u>Description</u>	(D) <u>Rate Year YE Balance</u>	(E) <u>Excludable Balances</u>	(F) <u>100% Transmission Related</u>	(G) <u>Transmission Plant Related</u>	(H) <u>Transmission Labor Related</u>	(I) <u>Total Included in Ratebase (E)+(F)+(G)</u>	(J) <u>Explanation</u>
9									
10				-		-		-	
11				-				-	
12				-			-	-	
13				-			-	-	
14				-			-	-	
15				-			-	-	
16				-			-	-	
17				-			-	-	
18				-			-	-	
19				-			-	-	
		<b>Subtotal - Form 1, p 111.57.c</b>	0	0	0	0	0	0	

**Prepayments Account 165 - Balance @ 12/31/ Rate Year-1**

(A) <u>Line Number</u>	(B) <u>Acc. No.</u>	(C) <u>Description</u>	(D) <u>Rate Year-1 YE Balance</u>	(E) <u>Excludable Balances</u>	(F) <u>100% Transmission Related</u>	(G) <u>Transmission Plant Related</u>	(H) <u>Transmission Labor Related</u>	(I) <u>Total Included in Ratebase (E)+(F)+(G)</u>	(J) <u>Explanation</u>
20									
21						0		-	
22						0		-	
23						0		-	
24						0		-	
25				0				-	
26				0				-	
27				0				-	
28				0				-	
29							0	-	
30				0				-	
31				0				-	
		<b>Subtotal - Form 1, p 111.57.c</b>		0				-	



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

AEP East Companies

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet D Supporting IPP Credits

COMPANY NAME HERE

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

Note 1 On this worksheet Company Records refers to COMPANY NAME HERE's general ledger.

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet E Supporting Revenue Credits  
 COMPANY NAME HERE

<u>Line</u> <u>Number</u>	<u>Description</u>	<u>(a)</u> <u>Total</u> <u>Company</u>	<u>(b)</u> <u>Non-</u> <u>Transmission</u>	<u>(c)</u> <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)		-	
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)		-	
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1, 2)		-	
5a	Account 457.1, Regional Control Service Revenues (FF1 p.300.23.(b); Company Records - Note 1)		-	
5b	Account 457.2, Miscellaneous Revenues (FF1 p.300.24.(b); Company Records - Note 1)		-	
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	-	-	-
7	Accounts 4470004 & 4470005, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	Total Other Operating Revenues To Reduce Revenue Requirement	-	-	-
<b>Note 1</b>	The total company data on this worksheet comes from the indicated FF1 source, or COMPANY NAME HERE's general ledger. The functional amounts identified as transmission revenue also come from the general ledger.			
<b>Note 2</b>	The total of line 4 and line 5 will equal total Account 456 as listed on FF1 p.300.21-22.(b)			
9	Facility Credits under PJM OATT Section 30.9			

AEP East Companies  
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances  
 Worksheet F Supporting Allocation of Specific O&M or A&G Expenses  
 COMPANY NAME HERE

(A)	(B)	(C)	(D)	(E)	(F)	
<u>Line</u> <u>Number</u>	<u>Item No.</u>	<u>Description</u>	<u>Rate Year</u> <u>Expense</u>	<u>100%</u> <u>Non-Transmission</u>	<u>100%</u> <u>Transmission</u> <u>Specific</u>	<u>Explanation</u>
<b><u>Regulatory O&amp;M Deferrals &amp; Amortizations</u></b>						
1			-			
2						
3						
4		<b>Total</b>	0			
<b><u>Detail of Account 561 Per FERC Form 1</u></b>						
5						
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability				
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System				
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				
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development				
11	FF1 p 321.90.b	561.6 - Transmission Service Studies				
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies				
13	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Services				
14		<b>Total of Account 561</b>	0			
<b><u>Account 928</u></b>						
15				-	-	
16				-	-	
17				-	-	
18				-	-	
19				-	-	
20		<b>Total (FERC Form 1 p.323.189.b)</b>	-	-	-	
<b><u>Account 930.1</u></b>						
21				-	-	
22				-	-	
23				-	-	
24				-	-	
25				-	-	
26				-	-	
27				-	-	
28				-	-	
29				-	-	
30				-	-	
31				-	-	
32				-	-	
33				-	-	
34				-	-	
35				-	-	
36				-	-	
37		<b>Total (FERC Form 1 p.323.191.b)</b>	-	-	-	
<b><u>Account 930.2</u></b>						
38			0			
39			0			
40			0			
41			0			
42			0			
43		<b>Total (FERC Form 1 p.323.192.b)</b>	-	-	-	

ATTACHMENT C-1

Supporting Detail of ADIT balances for each AEP East Transmission Company

## ATTACHMENT C-1

### DETAIL OF ACCUMULATED DEFERRED INCOME TAX TIMING DIFFERENCES

DECEMBER 31, 2017 and DECEMBER 31, 2018

<u>COMPANY</u>	<u>ACCOUNT DETAIL</u>	<u>PAGE</u>
APPALACHAIN POWER COMPANY	281-282-283	2
	190	3
INDIANA MICHIGAN POWER COMPANY	281-282-283	4
	190	5
KENTUCKY POWER COMPANY	281-282-283	6
	190	7
KINGSPORT POWER	281-282-283	8
	190	9
OHIO POWER COMPANY	281-282-283	10
	190	11
WHEELING POWER COMPANY	281-282-283	12
	190	13

Note: The detail provided in this Attachment C-1 are required worksheets per formula template shown in Attachment H-14B to the PJM OATT. These were included in the true-up filing of 2018 activity filed on May 26, 2019. They are provided here to demonstrate the relationship of information provided in the new excess and deficient ADIT worksheet required by FERC Order 864 with data already required to be provided in the formula rate.

**APPALACHIAN POWER COMPANY**  
**SCHEDULE DEFERRED CREDITS**  
**PERIOD ENDED DECEMBER 31, 2018**  
**(DEBIT) CREDIT**

ACCOUNT 2B1:	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O			
	PER BOOKS		NON-APPLICATIONS/UTILITY				AVERAGE ELECTRIC UTILITY			FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/18			FUNCTIONALIZATION 12/31/17		
	BALANCE AS OF 12-31-18	BALANCE AS OF 12-31-17	BALANCE AS OF 12-31-18	BALANCE AS OF 12-31-17	BALANCE AS OF 12-31-18	BALANCE AS OF 12-31-17	IBC-CH-E2	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION		
1	ACCOUNT 2B1:																	
2	TX AMORT POLLUTION CONT EQPT	267,868,298	289,979,891			278,524,095	278,524,095	0	0	0	267,868,298	0	0	289,979,891	0	0		
3	NON-UTILITY DEFERRED FIT			0	0	0	0	0	0	0								
4	SPAS 109 FLOW-THRU 281.3			0	0	0	0	0	0	0								
5	SPAS 109 EXCESS DFLT 281.4	(106,710,020)	(115,991,956)	106,710,020	115,991,956	0	0	0	0	0								
6	TOTAL ACCOUNT 2B1	161,158,278	173,987,935	106,710,020	115,991,956	278,524,095	278,524,095	0	0	0	267,868,298	0	0	289,979,891	0	0		
11	ACCOUNT 2B2:																	
12	BOOK W/ TAX DEPRECIATION	818,108,550	1,422,369,969			1,120,249,230	310,243,360	396,941,466	412,983,384	240,521,889	296,244,219	281,342,442	380,126,870	497,638,694	544,624,346			
13	FERRI CROSBY 144 CASH UP																	
14	CAPD INTEREST - SECTION 481(a) - CHANGE IN METH	24,741	607,482			425,611	133,198	179,643	112,770	76,281	102,879	64,982	190,116	256,408	160,958			
15	RELOCATION COST - SECTION 481(a) - CHANGE IN METH	46,776	117,769			82,272									117,769			
16	PJM INTEGRATION - SEC 481(a) - INTANG - OPD LABOR	(0)	(1,487)			(744)		(744)			(0)	(0)		(1,487)	(0)			
17	R & D DEDUCTION - SECTION 174	2,310,072	3,603,427			2,902,250	2,557,872	110,140	294,238	1,803,398	82,660	213,178	3,182,406	137,675	305,207			
18	NON-UTILITY DEFERRED FIT	13,433,039	23,079,936			18,501,988	18,177,829	(4,979)	184,003	13,293,266	(980)	134,063	23,336,560	(971)	235,070			
19	MTR CARBON CAPTURE - SFAS 143 - ARO	(1,343,475)	(2,239,125)			(1,791,300)	(1,791,300)			(1,343,475)	(0)		(2,239,125)	(0)				
20	IRMA DEDUCTION BASIS DFLS - TRANSFERRED PLANTS	20,679,713	20,679,713			20,208,918				14,277,922			20,679,713					
21	DFT CONSTRUCTION PLANT	44,893,794	78,520,290			60,723,042	60,723,042			44,893,794	0	0	78,520,290	0	0			
22	GAIN/LOSS ON ACQUISITIONS PROPERTY	63,727,348	1,271,338			108,553,373	47,154,500	8,515,501	0	49,122,433	6,912,858	0	38,104,063	10,118,183	60,139,062			
23	GAIN/LOSS ON ACQUISITIONS BKKT UNIT PROP	(7,535,566)	(15,136,383)			(11,530,975)				(7,535,566)	(0)	0						
24	ABFUDC - TRANSMISSION	69,499	1,197,652			939,075	939,075			69,499	3	8	1,197,551	36	65			
25	ABFUDC - GENERAL	18,258	1,729,039			1,978,095	1,978,095			18,258	1,428,180	0	1,729,039	0	0			
26	ABFUDC - DISTRIBUTION	10,925	1,326			12,575	12,575			10,925	3,907	7,018	0	4,747	8,479			
27	TAXES CAPITALIZED	4,396	4,516			4,258	4,258			4,396	0	0	4,396	0	0			
28	PENSION CAPITALIZED	0	0			0	0			0	0	0	0	0	0			
29	SEC 481 PENSION ADJUSTMENT	(42,120)	(70,159)			(56,159)	(52,762)	(1,617)	(1,791)	(39,564)	(1,213)	(1,343)	(65,939)	(2,022)	(2,238)			
30	SAVINGS PLAN CAPITALIZED	0	0			0	0			0	0	0	0	0	0			
31	PERCENT RETIRE ALLOWANCE	9,910,971	16,633,441			13,282,216	8,902,003	1,434,811	2,885,401	6,474,239	1,133,497	2,303,294	11,449,767	1,736,186	3,467,508			
32	BOOK/TAX UNIT OF PROPERTY ADJ	87,406,332	11,833,639			100,119,485	82,714,106	8,471,415	11,933,964	68,649,973	7,578,830	14,179,928	99,776,639	3,367,000	9,688,000			
33	BKKT UNIT OF PROPERTY ADJ SEC 481 ADJ	1,429,150	17,045,449			17,099,129	25,114,711	0	80,314,465	52,013,732	33,463,023	68,859,461	89,962,524	16,765,460	52,969,336			
34	BOOK/TAX MIXED SERVICE COST ADJ	5,483,385	0			2,746,692	0	0	0	5,483,385	0	0	0	0	0			
35	BKKT MIXED SERVICE COST ADJ SEC 481 ADJ	27,928,001	0			13,964,000	0	0	0	27,928,001	0	0	0	0	0			
36	BOOK/TAX UNIT OF PROPERTY ADJ AGR TRANSFER	15,520,411	27,045,449			21,287,954	0	0	0	15,520,411	0	0	27,045,449	0	0			
37	BKKT UNIT OF PROPERTY ADJ SEC 481 ADJ AGR TRANSFER	3,049,028	5,449,910			4,246,999	4,246,999			3,049,028	0	0	5,449,910	0	0			
38	TX ACCEL AMORT - CAPITALIZED SOFTWARE	2,135,699	3,123,822			2,449,399	909,897	429,581	1,310,411	733,318	346,230	1,056,162	1,088,397	512,933	1,564,689			
39	CAPITALIZED RELOCATION COSTS	3,012,598	4,791,947			19,266	376,062	3,026,211	3,026,211	3,012,598	340,368	2,672,200	411,755	4,380,191	154,649			
40	EXTRAMURAL LOSS ON DISP OF PROP	11,503	27,686			0	0	0	0	11,503	0	0	0	0	27,686			
41	DEFD TAX GAN - FIBER OPTIC LINE																	
42	DISALLOWED COSTS - RESERVE DEFICIENCY-APCO VA	(8,248,480)	(13,749,133)			(10,999,306)	(10,999,306)			(8,248,480)			(13,749,133)					
43	AMORT PERPETUAL - RESERVE DEFICIENCY																	
44	CAPITALIZED LEASES - AC 1011 ASSETS																	
45	GAN ON REACQUIRED DEBT																	
46	REMOVAL COSTS	928,510	1,634,241			1,291,375	1,291,375			928,510	0	0	1,634,241	0	0			
47	REMOVAL COSTS - ARO-MTR CARBON CAPTURE	(38,290)	(63,317)			(31,644)	(31,644)			(38,290)	0	0	(63,317)	0	0			
48	REMOVAL COSTS - REY - SFAS 143 - ARO	(149,903)	(78,379)			(78,379)	(78,379)			(149,903)	0	0	(78,379)	0	0			
49	TAX WRITE OFF - IRM DEVELOPMENT COSTS	(169,791)	(316,319)			(233,055)	(233,055)			(169,791)	0	0	(316,319)	0	0			
50	BK DEDUCTION - INTEREST	187,663	312,882			292,558	292,558			187,663	0	0	312,882	0	0			
51	2007 IRS AUDIT ADJUSTMENTS - AC 282																	
52	TAX CUTS AND JOBS ACT (TCJA)		126,527			63,264	63,264						126,527					
53	EXCESS ADFT	742,696,917	0			371,348,459	130,598,639	108,620,407	132,120,413	261,197,276	217,298,614	364,240,825	0	0	0	0		
54	NON-UTILITY DEFERRED FIT																	
55	SPAS 109 FLOW-THRU 282.3	82,999,344	75,754,441			(82,899,344)	(75,754,441)											
56	SPAS 109 EXCESS DFLT 282.4	(742,696,917)	(799,504,117)			742,696,917	799,504,117											
57	TOTAL ACCOUNT 2B2	1,333,642,451	1,258,628,311	659,787,973	723,439,656	1,997,909,025	756,625,705	648,792,331	692,200,889	741,888,884	564,890,677	706,660,442	771,962,527	532,673,986	677,741,514			
62	ACCOUNT 2B3:																	
63	NOL - STATE CF - DEF STATE TAX ASSET - LUT		31,976			15,988	15,988			0	0	0	31,976					
64	SN - UNDER RECOVERY FUEL COST	4,282,874	24,442,457			14,387,655	14,387,655			4,282,874			24,442,457					
65	SV - UNDER RECOVERY FUEL COST	17,281,198	7,499,737			12,995,467	12,995,467			17,281,198			7,499,737					
66	VV - EREC UNDER RECOVERY BANK	0	0			0	0			0	0	0	0	0	0			
67	VEED EQUITY CARRY CHRG - WV EREC	0	0			(40,913)	(40,913)			0	0	0	(81,826)	0	0			
68	VV UNREC'D FUEL POOL CAPACITY IMPACT	0	0			0	0			0	0	0	0	0	0			
69	VV CENTURY EREC UNDER RECOVERY	0	0			0	0			0	0	0	0	0	0			
70	VV UNREC'D FUEL DISPUTED COAL INV	0	0			0	0			0	0	0	0	0	0			
71	VV UNDER RECOVERY FUEL COST	130,711	23,773			80,222	80,222			130,711			23,773					
72	PROPERTY TAX - NEW METHOD - BOOK	3,032,830	5,002,827			4,017,829	1,179,539	1,066,189	1,772,300	1,064,927	720,922	1,246,981	1,251,751	1,411,456	2,297,620			
73	PROP TX STATE 2 OLD METHOD - TX																	
74	DEFD TAX GAN - APCO VA SEC REG ASSET	54,981,752	99,984,734			77,483,253	74,483,253			54,981,752	0	0	99,984,734	0	0			
75	MTR BK GAN - AL - TX DEFL	10,360,319	4,738,151			7,549,235	7,549,235			10,360,319	0	0	4,738,151	0	0			
76	MTR BK SPREAD - DEF - 203 AL	717,649	(679,996)			(62,347)	(62,347)			717,649	0	0	(679,996)	0	0			
77	ACCRUED BK PENSION EXP - SFAS 158	28,468,415	49,638,654			39,053,539	16,942,535	1,427,264	20,683,740	12,420,598	1,027,692	15,011,124	21,475,471	1,826,836	26,356,356			
78	ACCRUED BK PENSION COSTS - SFAS 158	(39,056,024)	(62,807,962)			(49,223,963)	(16,043,363)	(4,838,111)	(28,314,490)	(11,447,150)	(3,730,852)	(20,812,043)	(20,661,576)	(6,305,390)	(38,909,936)			
79	DEFD ENVIRON COMF COSTS & CARRYING CHARGES	20,141	33,568			26,854	26,854			20,141	0	0	33,568	0	0			
80	DEFD SVS RELIABILITY COSTS & CARRYING CHARGES	27,657	45,312			36,560	36,560			27,657	0	0	45,312	0	0			
81	DEFD EQUITY CARRY CHRGs-RELIABILITY CAPITAL	(9,445)	(15,742)			(12,944)	(12,944)			(9,445)	0	0	(15,742)	0	0			
82	DEFD EPCX (AC 188)	225,522	345,264			285,												

APPALACHIAN POWER COMPANY  
ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 100  
PERIOD ENDED DECEMBER 31, 2018

ATTACHMENT C-  
PAGE 1 OF 2

DEBIT (CREDIT)

ACCOUNT 190:	BALANCE AS OF 12-31-18				FUNCTIONALIZATION AVERAGE				FUNCTIONALIZATION 12/31/18				FUNCTIONALIZATION 12/31/17					
	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O	COLUMN P		
	ACCUMULATED DEFERRED FIT ITEMS	PER BOOKS	NON-APPALACHIAN UTILITY	AVVERAGE ELECTRIC UTILITY	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION		
1																		
2																		
3		5,886	9,009,167		4,903,011	4,069,096	21,923	412,003					5,886	8,138,171	43,845	818,161		
4																		
5		40,069,000	79,113,241		64,091,120	39,844,971	19,942,837	4,283,713					20,305,886	16,340,026	3,437,088	50,423,205	23,509,646	5,130,338
6																		
7		3,418,546	5,173,942		4,296,194	0	103,824	4,192,370					73,739	3,344,807		133,908	5,039,034	
8		176,224	337,274		237,746	0	237,749	0					178,224	0	0	337,274	0	
9		2,240,002	2,036,008		2,442,805	0	114,694	2,328,111					128,679	2,120,323	0	100,709	2,539,899	
10																		
11																		
12																		
13		888,983	6,276,007		3,582,455	364,093	3,153,571	64,821					842,722	697,626	48,816	585,465	5,609,516	81,026
14		8,899,142	0		14,644,571	4,444,571	0	0					8,899,142	0	0	0	0	0
15		(2,435,092)	0		(1,217,546)	(1,217,546)	0	0					(2,435,092)	0	0	0	0	0
16		577	641		0	0	0	620					0	0	0	577	0	641
17																		
18		112,024	126,150		119,087	96,804	4,131	18,152					19,820	0	0	569,994	0	0
19		25,985	58,979		140,462	440	0	(42,922)					389	0	(25,714)	439	0	(89,469)
20		27,992	112,147		70,069	289	0	69,761					1,058	0	28,934	(481)	0	112,628
21		(0)	18,799		18,410	8,992	0	9,418					841	0	11,168	11,143	0	747
22		203,362	823,231		69,039	0	0	(0)					0	0	(0)	0	0	0
23		72,171	120,285		92,238	0	0	96,228					0	0	72,171	0	0	120,285
24		179,699	1,006,207		993,003	(274,177)	(2,002)	869,172					(205,603)	(4,065)	389,366	(342,871)	(0)	1,348,978
25		877	738		807	807	0	0					877	0	0	738	0	0
26																		
27		3,642,387	2,568,814		3,105,590	1,351,146	116,670	1,643,765					1,560,940	193,567	1,887,860	1,141,302	27,792	1,399,870
28		1,922,264	3,316,873		2,619,819	960,536	(71,095)	1,730,178					667,366	(54,722)	1,309,620	1,253,705	(87,468)	2,150,738
29		65,489	98,832		82,061	0	0	82,061					0	0	65,489	0	0	98,832
30		59,809	215,210		137,510	137,510	0	0					59,809	0	0	215,210	0	0
31		46,900	144,607		95,763	47,519	3,746	44,408					45,346	(8,558)	10,111	49,691	16,051	79,885
32		10,421	14,460		14,460	5,278	951	4,320					712	4,320	6,140	990	0	7,360
33		29,674	49,467		39,566	0	(192,279)	231,844					(144,209)	173,883	0	(240,349)	289,806	0
34		0	0		0	0	0	0					0	0	0	0	0	0
35		109,480	182,467		145,914	145,914	0	0					109,480	0	0	182,467	0	0
36		912,607	1,577,478		1,245,040	1,245,040	0	0					912,607	0	0	1,577,478	0	0
37		0	0		0	0	0	0					0	0	0	0	0	0
38		125,600	0		197,567	0	0	197,567					0	125,600	0	0	0	209,534
39		0	209,534		0	0	0	0					0	0	0	0	0	0
40		7,995	13,326		10,661	10,661	0	0					7,995	0	0	13,326	0	0
41		9,329	15,548		12,438	12,438	0	0					9,329	0	0	15,548	0	0
42		98,107	98,612		78,890	78,890	0	0					98,107	0	0	98,612	0	0
43		3,704	6,173		4,939	4,939	0	0					3,704	0	0	6,173	0	0
44		96,265	160,441		128,363	128,363	0	0					96,265	0	0	160,441	0	0
45		229,014	380,023		229,014	380,023	0	0					229,014	0	0	380,023	0	0
46		(75,087)	(125,145)		(100,116)	(100,116)	0	0					(75,087)	0	0	(125,145)	0	0
47		446,132	748,984		599,038	599,038	0	0					446,132	0	0	748,984	0	0
48		154,686	322,263		238,475	0	238,475	0					154,686	0	0	322,263	0	0
49		7,294,028	3,161,728		5,227,883	5,227,883	0	0					7,294,028	0	0	3,161,728	0	0
50		656,605	1,192,224		923,915	923,915	0	0					656,605	0	0	1,192,224	0	0
51		24,198	26,369		(954)	(954)	(0)	24,874					(274)	0	(735)	64	23,138	
52		797,911	1,348,444		1,073,177	0	1,073,177	0					797,911	0	0	1,348,444	0	0
53		(10,141,964)	(14,423,610)		(12,282,787)	(6,349,938)	(1,017,420)	(4,915,427)					(898,856)	(3,964,320)	(7,391,098)	(1,197,690)	(5,864,011)	
54		6,912,092	11,520,154		9,216,123	4,811,092	418,604	4,186,428					3,458,319	319,953	3,139,821	5,763,895	523,255	5,233,035
55		930,761	(3,500,748)		(1,688,477)	(888,466)	143,357	(985,293)					93,391	216,104	235,296	(1,954,495)	70,610	(2,005,956)
56		3,797,031	6,623,636		1,901,910	220,332	1,881,340	1,362,099					1,479,918	2,297,913	2,251,722	250,747	4,079,167	
57		21,837,590	39,570,992		30,704,141	30,687,684	1,103	229,355					21,644,895	5,532	188,164	30,209,473	8,674	272,546
58		2,521,009	4,201,682		3,361,346	3,361,346	0	0					2,521,009	0	0	4,201,682	0	0
59		72,728	121,213		96,970	96,970	0	0					72,728	0	0	121,213	0	0
60		59,644,365	98,362,341		70,003,523	8,938,752	22,701,698	47,365,995					5,765,382	17,462,199	38,398,901	12,888,142	27,744,220	58,333,271
61		(44,690)	(74,484)		(59,887)	(25,364)	(3,759)	(30,465)					(19,023)	(3,919)	(22,844)	(31,704)	(4,699)	(30,081)
62		16,343,443	24,528,693		20,430,063	12,817,662	3,072,020	5,099,362					9,009,214	2,789,699	4,964,588	15,926,150	3,374,349	5,626,166
63		0	0		0	0	0	0					0	0	0	0	0	0
64		0	0		0	0	0	0					0	0	0	0	0	0
65		20,523	34,205		27,364	11,654	1,570	14,140					8,748	1,178	10,605	14,587	1,963	17,675
66		24,835	41,291		33,113	13,997	2,262	16,860					10,498	1,700	12,697	17,496	2,833	21,962
67		0	0		0	0	0	0					0	0	0	0	0	0
68		0	0		0	0	0	0					0	0	0	0	0	0
69		0	0		0	0	0	0					0	0	0	0	0	0
70		640,061	1,121,023		880,792	0	0	880,792					0	0	640,061	0	0	1,121,023
71		0	0		0	0	0	0					0	0	0	0	0	0
72		0	0		0	0	0	0					0	0	0	0	0	0
73		1,714,764	2,875,179		2,294,966	646,225	1,216,377	432,366										





INDIANA MICHIGAN POWER COMPANY  
ACCUMULATED DEFERRED INCOME TAX BY ACCOUNT 190  
PERIOD ENDED DECEMBER 31, 2018

ATTACHMENT C-1  
PAGE 4 OF 12

DEBIT (CREDIT)

ACCOUNT	FUNCTIONALIZATION 12/31/18				FUNCTIONALIZATION 12/31/18				FUNCTIONALIZATION 12/31/18						
	GENERATION	NUCLEAR	TRANSMISSION	DISTRIBUTION	ST	GENERATION	NUCLEAR	TRANSMISSION	DISTRIBUTION	ST	GENERATION	NUCLEAR	TRANSMISSION	DISTRIBUTION	ST
1 ACCOUNT 190															
2 NOL & TAX CREDIT CF - DEF TAX ASSET															
3 INT EXP CAPITALIZED FOR TAX	32,027,136	50,819,811		4,143,473							6,123,156	16,704,122	4,817,573	4,582,284	0
4 INT EXP CAPX - COOLING SYSTEM	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 TAX INT INC CAP FOR BK-#BFWASH	0	0	0	326	326	0	0	0	0	0	0	0	0	0	0
6 INT EXP CAPX - TRNTP-IPWHS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 CAM - BOOK RECEIPTS	2,521,188	4,968,196		3,769,677							641,914	1,879,274	0	0	0
8 CURTAIN INC FOR TAX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 PROPERTY TAX - NEW METHOD - BOOK	1,674,543	2,004,173		1,839,358	(319,113)						(207,144)	708,479	1,175,208	(431,082)	0
11 PROV FOR REFLND - FISC TRNHS	(182,776)	8,651,838		3,229,820	1,343,223						(2,678)	122,210	18,333	69,282	0
12 PROV FOR REFLND - FISC TRNHS	(500,000)	(850,000)		(500,000)	(500,000)						0	0	0	0	0
13 PROV FOR REFLND - FISC TRNHS	(500,001)	(500,001)		(500,001)	(500,001)						0	0	0	0	0
14 PROV FOR RATE REFLND TAX REFORM	3,515,730	0		1,757,865	1,448,449						2,802,970	0	622,752	0	0
15 PROV FOR RATE REFLND TAX REFORM	589,200	0		308,110	328,110						656,220	0	0	0	0
16 DEF FOR BANK RPT - SALELEASE	3,981,354	6,216,738		4,639,046	4,639,046						3,061,354	0	0	0	0
17 MANS & SPRINGS-COOLING	396,363	262,385		159,028	308,228						(88,320)	0	0	0	0
18 PROV WORKERS COMP	146,938	87,519		107,228	64,778	206	18,830	25,405			93,524	412	27,025	25,977	0
19 ACCRUED BK PENSION EXPENSE	(16,983,220)	(31,362,672)		(24,167,651)	(5,287,714)	(8,656,533)	(1,254,571)	(10,987,493)			(3,840,923)	(4,184,286)	(858,177)	(7,909,844)	0
20 ACCRUED BK PENSION COSTS - SFAS 158	16,932,027	21,707,074		20,900,251	2,407,766	6,959,419	2,029,274	12,055,192			1,630,744	4,182,721	1,898,109	8,515,464	0
21 SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN	28,787	(14,383)		7,212	4,474	48,221	15,841	(84,204)			5,956	54,770	11,244	(42,284)	0
22 ACCR S&P SEC RETIR PLAN COSTS-SFAS 158	351,364	361,365		209,259	14,232	151,739	22,848	107,604			(2,678)	122,210	18,333	69,282	0
23 ACCR BK S.P. SAVINGS PLAN EXP	291,860	480,337		389,614	2	332,725	0	53,257			1	251,161	0	40,528	0
24 EMPLOYERS SAVINGS PLAN MATCH	0	0		0	0	0	0	0			0	0	0	0	0
25 ACCRUED BK BENEFIT COSTS	0	0		0	0	0	0	0			0	0	0	0	0
26 ACCRUED BK PLAN EXP	972,881	2,458,056		1,716,449	52,015	1,308,817	3,794	353,842			21,658	782,863	1,806	186,473	0
27 STOCK BASED COMP-CAREER SHARES	200,236	433,677		348,942	0	248,883	0	98,079			0	186,647	0	73,969	0
28 PROVISION FOR R & D WASTE ACCRUAL	0	0		0	0	0	0	0			0	0	0	0	0
29 PROV RAD WASTE ACCRUAL	65,356	0		32,678	0	32,678	0	0			0	65,356	0	0	0
30 PROV RAD WASTE ACCRUAL	77,246	333,327		205,536	0	205,536	0	0			0	77,246	0	0	0
31 BK PROV UNCALL ACCTLT	20,252	72,168		46,230	24,074	0	357	21,799			0	715	19,577	0	0
32 BK PROV UNCALL ACCTLT	0	0		0	0	0	0	0			0	0	0	0	0
33 TRADING CREDIT RISK - AL	1,118	1,086		1,091	1,091	0	0	0			1,116	0	0	0	0
34 PROV FOR LITIGATION	0	0		0	0	0	0	0			0	0	0	0	0
35 ACCO COMPANY INCENT PLAN-AGE TO GAIN	0	0		0	0	0	0	0			0	0	0	0	0
36 ACCO COMPANYNW INCENT PLAN	7,320,001	8,874,857		8,103,420	791,215	5,436,991	369,616	1,509,207			871,574	4,579,475	374,334	1,506,618	0
37 ACCO ENVIRONMENTAL LIAB-CURRENT	0	0		0	0	0	0	0			0	0	0	0	0
38 ACCO ENVIRONMENTAL LIAB-TERM	2,981,802	5,378,718		4,196,280	405,851	2,342,438	346,691	1,040,280			338,375	1,612,524	259,590	771,300	0
39 ACCO LEASE LIABILITY - FORT WAYNE	0	0		0	0	0	0	0			0	0	0	0	0
40 ACCO LEASE LIABILITY - FORT WAYNE	146,719	311,146		239,306	619	202,196	0	26,113			1,253	127,845	0	18,237	0
41 ACCO BRND ENVIRON REMEDIATION COSTS-ST	18,580	35,000		26,780	26,780	0	0	0			18,580	0	0	0	0
42 ACCO BK SEC EMP BENEFIT COSTS	0	0		0	0	0	0	0			0	0	0	0	0
43 ACCO BK SEC EMP BENEFIT COSTS	0	0		0	0	0	0	0			0	0	0	0	0
44 ACCO BK SEC EMP BENEFIT COSTS	0	0		0	0	0	0	0			0	0	0	0	0
45 FRT WAYNE CITY LITS SETTLEMENT	488,648	938,000		713,324	1	0	0	713,324			0	0	0	488,648	0
46 ACCRUED INTEREST DEF - STATE	157,813	366,308		261,611	31,773	73,743	2,205	103,569			24,870	38,369	(2,596)	96,669	0
47 ACCRUED INTEREST-LONG TERM - FIN 48	(4,959)	(10,151)		(6,875)	(5,474)	(5,181)	351	1,729			(4,468)	(4,204)	297	1,464	0
48 ACCRUED STATE INCOME TAX EXP	(18,367)	(27,276)		(21,612)	(21,612)	0	0	0			(18,367)	0	0	(27,276)	0
49 ACCRUED RTO CARRYING CHARGES	0	0		0	0	0	0	0			0	0	0	0	0
50 BK DEF FUEL TRNHS REVENUE	0	0		0	0	0	0	0			0	0	0	0	0
51 IN CUSTOMER PROGRAM CONTRIBUTIONS - ST	36,790	0		18,375	0	0	0	18,375			0	0	0	36,790	0
52 FEDERAL MITIGATION PROGRAMS	862,840	1,027,933		862,406	862,406	0	0	0			862,840	0	0	1,027,933	0
53 STATE MITIGATION PROGRAMS	5,948	71,404		38,676	38,676	0	0	0			5,948	0	0	71,404	0
54 BK-DEFERRED REC COSTS-DEF	0	0		0	0	0	0	0			0	0	0	0	0
55 DEF BK CONTRACT REVENUE	103,467	117,105		110,286	0	0	0	110,286			0	0	0	103,467	0
56 TAXPROM BASS-BANK-INT	0	0		0	0	0	0	0			0	0	0	0	0
57 DEF BK GANNONHART SALELEA	7,789	12,967		10,374	0	0	0	0			0	0	0	0	0
58 DEF BK LOSSNONHART SALELEA	2,720	4,583		3,667	3,667	0	0	0			0	0	0	0	0
59 DEF BK LOSS-INTEREST SALELEA	133,960	207,088		168,604	0	0	0	0			0	0	0	0	0
60 ADVANCE RENTAL INC CUR-NO	747,471	(2,791,945)		(977,273)	0	0	0	0			747,471	0	0	(2,791,945)	0
61 REG LAB-ANNUAL MTM GAIN/DEF	0	0		0	0	0	0	0			0	0	0	0	0
62 OUTAGE INSURANCE PROCEEDS	0	0		0	0	0	0	0			0	0	0	0	0
63 REG LIABILITY SFAS 143 - ARD	173,983,177	330,759,257		252,371,217	0	252,371,217	0	3,384			173,983,177	0	0	0	0
64 CAPITALIZED CONTRACTOR COSTS-TAX	4,160	5,670		4,915	1,749	3,164	12	3,548			(1,208)	2,866	(0)	2,190	330,759,257
65 INSTALL ALLOWANCES CAPD - TAX	2,540,620	4,173,847		3,327,238	0	0	0	0			0	0	0	0	0
66 BK-DEFERRED PRE 7 8 DISP COSTS	16,269,630	26,804,032		21,536,841	0	0	0	0			0	0	0	0	0
67 BK-DEFERRED PRE 7 8 DISP COSTS	5,399,884	9,079,403		7,259,543	0	0	0	0			0	0	0	0	0
68 BK-DEFERRED PRE 7 8 DISP COSTS	(14,880,622)	(24,467,703)		(19,574,162)	0	0	0	0			0	0	0	0	0
69 AMORT INT PRE 7 8 DISP	8,854,707	14,962,304		11,918,551	0	0	0	0			0	0	0	0	0
70 AMORT INT PRE 7 8 DISP	27,251,926	45,117,453		36,149,479	0	0	0	0			0	0	0	0	0
71 BK-AMORT INT PRE 7 8 DISP	5,146,148	8,514,408		6,831,778	0	0	0	0			0	0	0	0	0
72 BK-AMORT INT PRE 7 8 DISP	(42,176,711)	(69,537,205)		(36,156,933)	0	0	0	0			0	0	0	0	0
73 BK EXP NUC FUEL DECOMTAM FUND	10,909,400	(18,182,344)		(14,545,867)	0	0	0	0			0	0	0	0	0
74 BK-ACC NUC DECOM EXP - RATES	(7,786,715)	(12,327,859)		(10,342,287)	0	0	0	0			0	0	0	0	0
75 BK-ACC NUC DECOM EXP - RATES	(360,316)	(1,267,194)		(1,013,752)	0	0	0	0			0	0	0	0	0
76 BK-ACC NUC DECOM EXP - RATES	3,512,729	5,854,549		4,683,639	0	0	0	0			0	0	0	0	0
77 BK-ACC NUC DECOM EXP-NO TR INC	14,531,672	24,252,786		19,422,229	0	0	0	0			0	0	0	0	0
78 BK-ACC NUC DECOM EXP-NO TR INC	1,097,580	1,820,300		1,463,440	0	0	0	0			0	0	0	0	0
79 BK-ACC NUC DECOM EXP-NO TR INC	1,738	3,445		2,278	83	1,371	548	609			0	0	0	0	0
80 ACCO SFAS 101 PRT RETIRE EXP	(9,308,851)	(13,404,688)		(10,442,260)	(2,820,167)	(4,435,133)	(51,910)	(3,626,058)			(2,358,543)	(3,721,031)	(3,301,792)	(5,149,238)	(838,669)
81 ACCO SFAS 101 PRT RETIRE EXP	1,261,562	4,807,062		(1,738,000)	(269,873)	(652,841)	(65,273)	(859,754)			405,577	484,869	120,875	209,261	0
82 ACCO SFAS 101 PRT EMPLOY BEN	851,688	2,293,507		1,572,601	386,881	738,882	127,418	325,620			201,741	361,128	77,138	211,888	0
83 BK PROV WORKERS COMP	0	0		0	0	0	0	0			0	0	0	0	0
84 ACCO SFAS 101 PRT EMPLOY BEN	353,077,228	462,820,993		407,849,110	5,073,419	402,877,533	0	92,159			4,048,207	348,988,965	0	59,236	0
85 GROSS RECEIPTS-TAX EXPENSE	92,702	83,764		87,071	0	0	0	0			0	0	0	0	0
86 AMORT TRNHS PTC TO TRNPT 2	(131,000)	(201,915)		(100,812)	0	0	0	0			0	0	0	0	0
87 ACCO DEFERRED TAX RESERVE	1,029,879	1,707,778		1,368,828	8,141	107,433	2,198	1,253,059			4,608	80,824	1,647	943,062	0
88 ACCO DEFERRED TAX RESERVE	(15,144)	(25,274)		(10,210)	(17,338)	(18,704)	2,668	13,145			(12,998)	(14,028)	2,001	9,809	0
89 CAPITALIZED															

KENTUCKY POWER COMPANY  
SPECIFIED DEFERRED CREDITS  
PERIOD ENDED DECEMBER 31, 2018  
(DEBIT) CREDIT

(DEBIT) CREDIT

ACCOUNT 2018	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/18			FUNCTIONALIZATION 12/31/17						
						GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION				
1	ACCOUNT 2018:																	
2	TX AMORT POLLUTION CONT EQPRT		55,503,729		27,751,865	27,751,865	0	0	0	0	0	0	55,503,729	0	0	0	0	
3	NON-UTILITY DEFERRED FIT 201.2		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4	SFAS 109 FLOW-THRU 201.2		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	SFAS 109 EXCESS FIT 201.2	(21,130,045)	(22,201,482)	21,130,045	22,201,482	21,130,045	22,201,482	21,130,045	22,201,482	21,130,045	22,201,482	21,130,045	22,201,482	21,130,045	22,201,482	21,130,045	22,201,482	
6	TOTAL ACCOUNT 2018:	(21,130,045)	33,302,237	21,130,045	22,201,482	27,751,865	0	0	0	0	0	0	55,503,729	0	0	0	0	
11	ACCOUNT 202:																	
12	BOOK VS. TAX DEPRECIATION	120,192,406	227,177,242		173,684,823	46,891,454	56,991,789	69,891,570	35,672,654	40,265,487	44,254,264	58,110,274	73,538,991	95,528,877				
13	EXCESS FIT RATE CHANGE	(169)	3,667		1,749	266	632	762	(169)	0	0	600	1,264	1,923				
14	EX UT DEFIT TX RESERVE - 1986 TRA	0	20,380		16,190	2,502	3,554	4,175	0	0	0	5,003	7,027	8,330				
15	CARD INTEREST - SECTION 481(a) - CHANGE IN METH	1,989	2,383		1,726	567	1,291	132	389	616	803	777	1,767	1,800				
16	RELOCATION COST - SECTION 481(a) - CHANGE IN METH	7,648	18,785		13,217	0	0	13,217	0	0	7,648	0	0	18,785				
17	PAID INTEGRATION - SEC 481(a) - INTANG - DFD LABCR	(8,907)	1,237		8,365	0	(4,309)	0	0	0	(8,907)	0	23	0				
18	R & D DEDUCTION - SECTION 174	640,970	1,142,344		884,457	884,801	9,656	0	638,728	1,242	0	1,130,873	1,207,070	0				
19	ACRS - NORMAL	2,648,789	5,164,815		3,897,802	0	0	0	0	2,648,789	0	0	5,164,815	0				
20	BK PLANT IN SERVICE-SFAS 143-AR0	15,172,623	20,261,587		20,262,105	20,262,105	0	0	15,172,623	0	0	20,261,587	0	0				
21	NORMALIZED BASIS DIFFS - TRANSFERRED PLANTS	2,313,586	4,031,200		3,172,418	0	0	0	2,313,586	0	0	4,031,200	0	0				
22	DIFF GENERATION PLANT	0	0		0	0	0	0	0	0	0	0	0	0				
23	GAIN/LOSS ON ACQUISITIONS PROPERTY	21,765,845	35,706,084		28,776,015	13,185,578	2,730,036	12,860,401	9,621,724	2,404,963	9,739,238	16,749,431	3,058,089	15,981,564				
24	GAIN/LOSS ON ACQUISITIONS BK/TK UNIT PROP	(805,022)	(1,534,403)		(1,169,758)	(1,169,758)	0	0	(805,022)	0	0	(1,534,403)	0	0				
25	ABRUDC	2,710,536	4,355,875		3,533,215	1,627,635	1,062,477	813,103	2,217,742	873,474	613,340	2,033,528	1,311,480	1,010,886				
26	ABRUDC - HRU POST IN-SERVICE	62,180	111,992		88,611	0	0	0	62,180	0	0	111,992	0	0				
27	ABRUDC - HRU	0	0		0	0	0	0	0	0	0	0	0	0				
28	TARES CAPITALIZED	(0)	(0)		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)				
29	PERIODS CAPITALIZED	(0)	(0)		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)				
30	SEC 481 PENSION ADJUSTMENT	(0)	(47)		(38)	(38)	(0)	(0)	(0)	(47)	(0)	(47)	(0)	(0)				
31	SAVINGS PLAN CAPITALIZED	(0)	(0)		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)				
32	SEC 481 PENSION ALLOWANCE	2,462,507	4,491,147		3,474,010	1,903,832	184,917	1,389,459	1,370,518	1,591,117	966,830	2,437,146	243,913	1,818,836				
33	BOOK/TAX UNIT OF PROPERTY ADJ	20,620,541	23,739,019		22,170,780	18,809,859	389,333	2,917,587	16,108,450	572,166	3,391,925	21,511,269	296,500	2,021,250				
34	BK/TAX UNIT OF PROPERTY ADJ-SEC 481 ADJ	37,346,789	38,895,659		38,120,424	38,895,659	5,203,327	16,945,448	11,568,358	6,779,305	16,610,096	21,482,208	3,827,393	15,484,408				
35	TX ACCEL AMORT - DEF - 283 AL	573,844	849,003		711,744	334,839	81,510	316,445	269,870	49,575	254,239	399,807	73,445	376,651				
36	CAPITALIZED RELOCATION COSTS	627,164	1,055,862		541,533	0	0	23,000	610,525	23,583	603,601	0	23,430	1,033,448				
37	CAPITALIZED LEASES - AC 1011 ASSETS	0	0		0	0	0	0	0	0	0	0	0	0				
38	REMOVAL COSTS REPAIRS	0	0		0	0	0	0	0	0	0	0	0	0				
39	REMOVAL COST - NORMALIZED	1,490,688	862,547		1,176,617	0	0	0	1,490,688	0	0	862,547	0	0				
40	2007 IRS ADJUST ADJUSTMENTS - AC 202	0	0		0	0	0	0	0	0	0	0	0	0				
41	EXCESS FIT	145,743,831	0		0	0	0	0	145,743,831	0	0	0	0	0				
42	NON-UTILITY DEFERRED FIT	0	0		0	0	0	0	0	0	0	0	0	0				
43	SFAS 109 FLOW-THRU 202.1	31,055,700	31,569,738	(31,055,700)	(31,569,738)	0	0	0	0	0	0	0	0	0				
44	SFAS 109 EXCESS FIT 202.4	(145,743,831)	(150,789,456)	145,743,831	150,789,456	145,743,831	150,789,456	145,743,831	145,743,831	150,789,456	145,743,831	150,789,456	145,743,831	150,789,456	145,743,831	150,789,456	145,743,831	150,789,456
45	TOTAL ACCOUNT 202:	218,868,567	252,287,223	114,888,191	118,118,102	372,530,061	153,833,336	88,336,618	130,370,108	155,133,864	88,965,720	120,464,214	152,372,808	87,847,516	131,276,302			
50	ACCOUNT 203:																	
51	NON-STATE CDF-DEF TAX ASSET-UT-KY	1,282,766	3,160,753		2,221,759	2,221,759	0	0	1,282,766	0	0	3,160,753	0	0				
52	DEFD FUEL CUR SET UP AC 283	0	0		0	0	0	0	0	0	0	0	0	0				
53	DEFD FUEL ACC REV AC 283	0	0		0	0	0	0	0	0	0	0	0	0				
54	DEFD FUEL REG ADJ AC 283	0	0		0	0	0	0	0	0	0	0	0	0				
55	UNDERRECOVER FUEL COST	499,621	(0)		248,810	248,810	0	0	499,621	0	0	499,621	0	(0)				
56	PROP TX STATE - OLD METHOD TX ADJ	369,201	579,960		474,581	474,581	0	0	369,201	0	0	579,960	0	0				
57	MTM BK GAIN - ALL TX ADJ	797,567	389,110		598,338	598,338	0	0	797,567	0	0	389,110	0	0				
58	MARK & SPREAD - DEF - 283 AL	125,163	(136,441)		(5,639)	(5,639)	0	0	125,163	0	0	(136,441)	0	0				
59	BOOK PROV UNCOLL ASSETS	0	0		0	0	0	0	0	0	0	0	0	0				
60	ACCURIED BK PENSION EXPENSE	0	0		0	0	0	0	0	0	0	0	0	0				
61	ACCURIED BK PENSION COSTS - SFAS 158	(11,551,044)	(18,609,640)		(15,116,460)	(8,911,146)	(6,946,456)	(5,500,603)	(6,722,502)	(5,946,456)	(4,324,020)	(11,009,738)	(888,456)	(6,688,010)				
62	BOOK ASSET - DEFERRED RTG COSTS	20,337	65,203		42,795	0	0	0	20,337	0	0	65,203	0	0				
63	BK DEF - DOMINO SIDE MGMT EXP	0	0		0	0	0	0	0	0	0	0	0	0				
64	BOOK - TAX - EMA - AC 283	1,946,553	3,333,998		2,640,275	2,640,275	0	0	1,946,553	0	0	3,333,998	0	0				
65	DEFD BK LOSS - NON-RECOG SALE - EMA	84,854	108,356		86,465	86,465	0	0	84,854	0	0	108,356	0	0				
66	DEFD TX GAIN - INTERCO SALE - EMA	(143,651)	(239,418)		(191,534)	(191,534)	0	0	(143,651)	0	0	(239,418)	0	0				
67	DEFD TX GAIN - UPPA - AC 283	(8,981)	(8,302)		(8,981)	(8,981)	0	0	(8,981)	0	0	(8,302)	0	0				
68	DEFD BOOK GAIN/EPA AUCTION	52,345	87,244		69,795	69,795	0	0	52,345	0	0	87,244	0	0				
69	RE ASSET-SFAS 143 - AR0	0	0		0	0	0	0	0	0	0	0	0	0				
70	RE ASSET-SFAS 158 - PENSIONS	3,469,587	15,273,181		6,172,675	6,695,455	5,502,458	4,641,040	5,502,458	5,502,458	4,324,000	7,704,308	888,456	6,688,823				
71	RE ASSET-SFAS 158 - SERP	(21,230)	(26,185)		(23,707)	(23,707)	0	0	(21,230)	0	0	(26,185)	0	0				
72	RE ASSET-SFAS 158 - OTHER	(1,446,669)	(1,446,669)		(1,446,669)	(1,446,669)	0	0	(1,446,669)	0	0	(1,446,669)	0	0				
73	RE ASSET-NERC COMPLY/CYBER SEC-UNREC EQ	(3,399)	(5,037)		(4,648)	(2,569)	(757)	(1,325)	(1,954)	(647)	(807)	(3,277)	(607)	(1,693)				
74	RE ASSET-NERC COMPLY/CYBER SEC-CAR CST	11,924	11,924		5,163	1,524	2,665	3,144	11,924	1,104	2,665	6,391	1,843	3,399				
75	RE ASSET-NERC COMPLY/CYBER SEC-DEF DEPR	20,678	36,403		28,540	15,736	4,649	8,135	11,419	3,368	5,891	20,993	5,931	10,378				
76	RE ASSET-DEFD DEPR-BIG SANDY U1 GAS	218,105	342,947		288,326	288,326	0	0	218,105	0	0	342,947	0	0				
77	RE ASSET-DEFD PROP TAX-BIG SANDY U1 GAS	75,482	121,276		98,379	98,379	0	0	75,482	0	0	121,276	0	0		</		



**KINGSFORT POWER COMPANY**  
**SCHEDULE DEFERRED CREDITS**  
**PERIOD ENDED DECEMBER 31, 2018**  
**(DEBIT) CREDIT**

(DEBIT) CREDIT

ACCOUNT 281:	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O	
	PER BOOKS	PER BOOKS	PER BOOKS	NON-APPLICABLE/NO UTILITY	NON-APPLICABLE/NO UTILITY	AVERAGE ELECTRIC UTILITY	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/17	FUNCTIONALIZATION 12/31/17	FUNCTIONALIZATION 12/31/17	
ACCUMULATED DEFERRED FIT ITEMS	DE 12-31-18	DE 12-31-18	DE 12-31-17	DE 12-31-18	DE 12-31-17	DE 12-31-17	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	
1																
2																
3	TX AMORT POLLUTION CONT EQPT	0	0			0	0	0	0	0	0	0	0	0	0	0
4	NON-UTILITY DEFERRED FIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	NON-UTILITY DEFERRED FIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	SPAS 109 FLOW-THRU 281.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	SPAS 109 EXCESS DPT 281.4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8																
9	TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10																
11	ACCOUNT 282:															
12																
13	BOOK VS. TAX DEPRECIATION	13,749,997	24,290,858			19,020,428	0	4,595,525	14,424,903	0	3,326,289	10,423,709	0	5,864,760	18,426,098	
14	ABJUDIC	0	0			0	0	0	0	0	0	0	0	0	0	
15	CAPD INTEREST - SECTION 481(a) - CHANGE IN METH	(377)	(890)			(633)	0	(856)	223	0	(509)	132	0	(1,204)	314	
16	R & D DEDUCTION - SECTION 174	263	438			350	0	350	0	0	263	0	0	438	0	
17	RELOCATION COST - SECTION 481(a) - CHANGE IN METH	1,965	4,428			3,192	0	3,192	0	0	1,965	0	0	4,428	0	
18	GAIN/LOSS ON ACRS/MACRS PROPERTY	897,509	1,485,856			1,191,683	0	1,110,011	1,080,672	0	83,255	814,255	0	138,767	1,347,089	
19	SEC 481 PEN/OPFB ADJUSTMENT	25	42			33	0	10	24	0	7	18	0	12	30	
20	PERCENT REPAIR ALLOWANCE	140,048	254,062			197,355	0	197,355	10	0	6,345	133,704	0	12,018	242,645	
21	BOOK/TAX UNIT OF PROPERTY ADJ	1,063,798	151,594			607,696	0	182,814	424,881	0	365,629	698,169	0	0	151,594	
22	BOOK/TAX UNIT OF PROPERTY ADJ-SEC 481 ADJ	1,660,110	2,903,650			2,271,955	0	870,605	1,401,250	0	818,959	821,150	0	922,250	1,881,350	
23	TX ACCEL AMORT - CAPITALIZED SOFTWARE	71,050	105,259			88,155	0	9,870	78,285	0	7,955	63,096	0	11,785	93,475	
24	CAPITALIZED RELOCATION COSTS	213,774	364,628			289,500	0	35,935	253,265	0	26,439	187,335	0	45,439	319,196	
25	CAPITALIZED LEASES-AC 1011 ASSETS	0	0			0	0	0	0	0	0	0	0	0	0	
26	REMOVAL COST - NORMALIZED	72,373	92,500			62,636	0	62,436	0	0	72,373	0	0	92,500	0	
27	EXCESS ADIT	(8,719)	0			(4,338,659)	0	1,442,298	3,396,360	0	2,684,986	6,792,741	0	0	0	
28	NON-UTILITY DEFERRED FIT	155	155			(155)	0	(155)	0	0	0	0	0	0	0	
29	SPAS 109 FLOW-THRU 282.3	372,013	299,291			(372,013)	0	(299,291)	0	0	0	0	0	0	0	
30	SPAS 109 EXCESS DPT 282.4	(8,676,888)	(11,851,569)			9,676,888	0	11,851,569	0	0	0	0	0	0	0	
31																
32	TOTAL ACCOUNT 282	18,225,112	18,060,773	9,304,720	11,852,209	28,370,499	0	7,316,178	21,251,229	0	7,591,630	19,936,232	0	7,046,756	22,566,227	
33																
34	ACCOUNT 283:															
35																
36	NOL - STATE CF - DEF STATE TAX ASSET - UT	324,818	584,890			454,653	0	(32,317)	486,970	0	324,818	0	0	(389,250)	973,840	
37	ACCURED BK PENSION COSTS - SFAS 158	(1,154,721)	(1,944,478)			(1,949,000)	0	(360,567)	(1,189,033)	0	(270,720)	(884,001)	0	(450,414)	(1,494,064)	
38	DEPD STORM DAMAGE	316,124	529,874			421,499	0	421,499	0	0	316,124	0	0	529,874	0	
39	REG ASSET - DEFERRED RTO COSTS	1,291	2,084			1,667	0	1,667	0	0	1,291	0	0	2,084	0	
40	REG ASSET SFAS 158 - PENSIONS	1,154,721	1,944,478			1,949,000	0	360,567	1,189,033	0	270,720	884,001	0	450,414	1,494,064	
41	REG ASSET SFAS 158 - OPEB	3,317	(216,656)			(106,669)	0	16,860	(123,530)	0	23,977	(20,560)	0	9,843	(226,499)	
42	REG ASSET RTO DEMAND RESPONSE COSTS	64,107	146,912			105,510	0	105,510	0	0	64,107	0	0	146,912	0	
43	REG ASSET IN UNDER RECDY PPA RIDER	896,805	1,410,153			1,203,479	0	1,203,479	0	0	896,805	0	0	1,410,153	0	
44	REG ASSET TAGS REL & MAJ STORM UNDR REC	1,072,514	0			536,257	0	536,257	0	0	1,072,514	0	0	0	0	
45	CAPITALIZED SOFTWARE COST - BOOK	471,950	607,086			539,518	0	66,285	473,233	0	56,099	415,800	0	76,470	530,616	
46	DEPD SFAS 108 BOOK COSTS	0	0			0	0	0	0	0	0	0	0	0	0	
47	SPAS 108-MEDICARE SUBSIDY-(PPACA)-REG ASSET	38,470	74,802			56,636	0	8,166	48,470	0	5,547	32,923	0	10,786	64,016	
48	REG ASSET - ACCRUED SFAS 112	72,545	188,780			130,663	0	130,663	(0)	0	72,545	0	0	188,780	0	
49	EXCESS ADIT	(88,187)	0			(41,134)	0	(41,134)	(419)	0	(82,288)	(839)	0	0	0	
50	NON-UTILITY DEFERRED FIT	0	0			0	0	0	0	0	0	0	0	0	0	
51	SPAS 109 FLOW-THRU 283.3	1,059,163	997,221			(1,059,163)	0	(997,221)	0	0	0	0	0	0	0	
52	SPAS 109 EXCESS DPT 283.4	(1,035,740)	(1,624,367)			1,035,740	0	1,624,367	0	0	0	0	0	0	0	
53	SPAS 133 ADIT FED - SFAS 133 NONAF FL 2830006	0	0			0	0	0	0	0	0	0	0	0	0	
54																
55	TOTAL ACCOUNT 283	3,302,044	2,697,581	(23,453)	627,146	3,301,660	0	19,528	3,282,131	0	329,122	2,949,489	0	(290,066)	3,614,793	
56																
57																
58	SPAS 109 - DEPD STATE INCOME TAXES	4,632,267	4,470,441	(4,632,267)	(4,470,441)	0	0	0	0	0	0	0	0	0	0	
59																
60	TOTAL ACCOUNT 283	7,934,311	7,169,022	(4,655,720)	(3,843,295)	3,301,660	0	19,528	3,282,131	0	329,122	2,949,489	0	(290,066)	3,614,793	
61																
62	JURISDICTIONAL AMOUNTS FUNCTIONALIZED															
63	TOTAL COMPANY AMOUNTS FUNCTIONALIZED															
64	REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT															
65																
66																
67																
68	NOTE: POST 1970 ACCUMULATED DEFERRED															
69	RV TAX CRED. (DITC) IN AC 255	8	38			23	0	5	19	0	2	6	0	7	31	
70	DEFERRED ITC - 46(F)(1)															
71																
72	TOTAL ACCOUNT 285	8	38	0	0	23	0	5	19	0	2	6	0	7	31	
73																

KINGSFORD POWER COMPANY  
 ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 190  
 PERIOD ENDED DECEMBER 31, 2018

ACCOUNT 190:	DEBIT (CREDIT)				FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/18			FUNCTIONALIZATION 12/31/17			
	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	
	PER BOOKS				AVERAGE ELECTRIC UTILITY (B+C+D+E)	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/18			FUNCTIONALIZATION 12/31/17		
	BALANCE AS OF 12-31-18	BALANCE AS OF 12-31-17	BALANCE AS OF 12-31-18	BALANCE AS OF 12-31-17		GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1 ACCUMULATED DEFERRED FIT ITEMS														
2														
3 NOL & TAX CREDIT CF - DEF TAX ASSET	0	19,038	0	9,769	0	4,108	5,662	0	0	0	0	0	8,215	11,323
4 CAC - BOOK RECEIPTS	339,153	411,012	0	375,983	0	7,018	368,965	0	4,080	338,074	0	9,965	491,007	0
5 INT EXP CAPITALIZED FOR TAX	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 PROVS FOR REV REFIN-AL	337	65,337	0	32,837	0	32,837	0	0	337	0	0	0	65,337	0
7 PROVS FOR RATE REFUND-TAX REFORM	202,964	0	0	101,482	0	0	101,482	0	0	202,964	0	0	0	0
8 PROVS FOR RATE REFUND-EXCESS PROTECTED	73,705	0	0	36,852	0	0	36,852	0	0	73,705	0	0	0	0
9 ACCRUED BK PENSION EXPENSE	(715,022)	(1,268,008)	0	(991,515)	0	(124,807)	(866,708)	0	(100,446)	(624,576)	0	(159,168)	(1,108,940)	0
10 EMPLOYER SAVINGS PLAN MATCH	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 ACCRD COMPANWIDE INCENTY PLAN	88,041	87,300	0	72,890	0	(2,882)	75,953	0	1,181	86,860	0	(6,946)	64,266	0
12 ACCRUED BOOK VACATION PAY	87,844	87,844	0	72,864	0	(4,195)	78,955	0	(5,143)	69,987	0	(5,238)	92,723	0
13 ACCRUED BOOK SEVERANCE BENEFITS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 ACCRUED INTEREST EXPENSE - STATE	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 ACCRUED INTEREST-LONG-TERM - FIN 48	566	692	0	624	0	68	556	0	60	496	0	76	616	0
16 ACCRUED INTEREST-SHORT-TERM - FIN 48	305	414	0	306	0	53	306	0	45	300	0	61	353	0
17 ACCRUED STATE INCOME TAX EXP	(16,720)	(27,866)	0	(22,203)	0	58,192	(80,405)	0	43,844	(60,364)	0	27,740	(100,606)	0
18 ACCRUED RTO CARRYING CHARGES	4,669	7,781	0	6,225	0	6,225	0	0	4,669	0	0	7,781	0	0
19 ADVANCE RENTAL INC (CUR MO)	22,107	28,678	0	25,417	0	0	25,417	0	0	22,107	0	0	28,678	0
20 CAPITALIZED SOFTWARE COSTS-TAX	11,833	(300)	0	(400)	0	(400)	(6)	0	(300)	(6)	0	(201)	(6)	0
21 BOOK LEASES CAPITALIZED FOR TAX	(205,133)	13,304	0	12,568	0	(3,306)	15,903	0	(2,397)	14,200	0	(4,273)	17,977	0
22 ACCRD SFAS 106 PST RETIRE EXP	127,904	213,173	0	170,538	0	(88,209)	(188,420)	0	(89,728)	(148,405)	0	(79,689)	(228,465)	0
23 SFAS 106 PST RETIRE EXP - NON-DEDUCT CONT	3,317	(218,656)	0	(106,699)	0	19,325	151,213	0	14,464	113,410	0	24,156	189,017	0
24 ACCRD OPEB COSTS - SFAS 158	72,546	188,781	0	130,963	0	18,860	(123,530)	0	23,877	(20,560)	0	9,843	(226,499)	0
25 ACCRD SFAS 112 PST EMPLOY BEN	(1,704)	(2,840)	0	(2,272)	0	(295)	(1,977)	0	(221)	(1,483)	0	(369)	(2,471)	0
26 DEFD STATE INCOME TAXES - FIN 48	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27 ACCRD SIT FRANCHISE TAX RESERVE	193	322	0	258	0	120	138	0	90	103	0	150	172	0
28 ACCRD SALES & USE TAX RESERVE	903	1,566	0	1,205	0	178	1,026	0	134	770	0	223	1,283	0
29 IRS AUDIT SETTLEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 AMT CREDIT - DEFERRED	0	13,236	0	6,618	0	192	6,427	0	0	0	0	0	383	12,853
31 NOL - DEFERRED TAX ASSET RECLASS	0	12,093	0	6,012	0	6,012	0	0	0	0	0	0	12,093	0
32 DEFERRED SIT 190102	1,546,790	1,670,543	0	1,608,167	0	216,824	1,391,343	0	1,546,790	0	0	1,112,143	2,782,686	0
33 SFAS 109 FLOW-THRU 190.3	1,019,701	1,018,201	(1,019,701)	(1,018,201)	0	0	0	0	0	0	0	0	0	0
34 SFAS 130 ADIT FED - SFAS NONAFFL 1900009	2,364,944	3,069,266	(2,364,944)	(3,062,216)	0	0	0	0	0	0	0	0	0	0
35 SFAS 130 ADIT FED - SFAS NONAFFL 1900005	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36 ADIT FED - FINSON CCM 1900009	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37 NON-UTILITY DEFERRED SIT 1900002	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38 TOTAL ACCOUNT 190	4,617,678	6,615,991	(3,324,240)	(4,648,604)	1,250,225	0	187,879	1,132,351	0	1,485,164	128,165	0	(1,189,406)	2,138,532

OHIO POWER COMPANY  
SPECIFIED DEFERRED CREDITS  
PERIOD ENDED DECEMBER 31, 2018  
(DEBIT) CREDIT

(DEBIT) CREDIT

ACCOUNT 281	COLUMN A		COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O			
	PER BOOKS	NON-APPLICABLE/NO-UTILITY	AVERAGE ELECTRIC UTILITY	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/17	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	
ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12/31/18	BALANCE AS OF 12/31/17	BALANCE AS OF 12/31/18	BALANCE AS OF 12/31/17	UTILITY CREDIT	DE-12/31/18	DE-12/31/17	DE-12/31/18	DE-12/31/17	DE-12/31/18	DE-12/31/17	DE-12/31/18	DE-12/31/17	DE-12/31/18	DE-12/31/17	DE-12/31/18	DE-12/31/17	DE-12/31/18	DE-12/31/17
1 ACCOUNT 281																			
2 TAX AMORT POLLUTION CONTROL EQP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 TAX ACCEL AMORT GAIN SCRUBBER	78,247	201,608	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 NON-UTILITY DEFERRED FIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 SFAS 109 FLOW THRU 281.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 SFAS 109 EXCESS DFIT 281.4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7																			
8																			
9 TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10																			
11 ACCOUNT 282																			
12 EXCESS FIT % RATE CHANGE	0	(85)		(32)			(12)	(20)								(24)		(41)	
13 BOOK VS. TAX DEPRECIATION	449,097,337	874,404,297		661,750,817		239,296,546	422,454,271		168,101,146	279,986,191		309,491,946	564,912,350		66,416	136,182		329,611	
14 CAPD INTEREST - SECTION 481(a) - CHANGE IN METH	128,565	309,881		229,223		46,511	16,417		23,223	0		128,565	0		0	0		0	
15 RELOCATION COST - SECTION 481(a) - CHANGE IN METH	(88,073)	(60,178)		(74,125)		(74,125)	(88,073)		(88,073)	0		(88,073)	0		(88,073)	0		(88,073)	
16 R & D DEDUCTION - SECTION 481(a) - CHANGE IN METH	599,989	599,989		479,896		104,021	379,366		78,466	281,523		132,776	469,206		132,776	469,206		132,776	
17 GYPSUM WALLBOARD CONVEY	0	714,777		0		0	0		0	0		0	0		0	0		0	
18 BK PLANT IN SERVICE-FAAS 143-ARO	454,086	0		584,882		9,549	575,333		7,441	447,545		11,858	703,122		11,858	703,122		11,858	
19 DIRT-GENERATION PLANT	47,187,380	71,893,961		59,540,671		10,470,001	49,070,670		8,351,519	38,835,861		12,588,483	59,305,478		12,588,483	59,305,478		12,588,483	
20 GAIN/LOSS ON ACQUISITIONS-BKTX UNIT OF PROPERTY	0	0		0		0	0		0	0		0	0		0	0		0	
21 ADFUC	7,439,139	10,947,148		9,183,139		4,471,365	4,711,774		3,955,423	3,843,707		5,347,807	5,598,842		5,347,807	5,598,842		5,347,807	
22 ADFUC-CASOE GROSS METHOD	2,023,469	3,607,800		2,123,469		1,270,197	1,545,437		917,584	1,105,885		1,622,810	1,984,990		1,622,810	1,984,990		1,622,810	
23 ADFUC-SMART HOUSE - LAND	1,091	2,652		2,122		0	2,122		0	1,591		0	2,652		0	2,652		0	
24 TAXES CAPITALIZED	0	0		0		0	0		0	0		0	0		0	0		0	
25 PENSIONS CAPITALIZED	2,281	3,800		3,040		871	2,169		654	1,627		1,089	2,712		1,089	2,712		1,089	
26 SEC 481 PENSION ADJUSTMENT	0	0		0		0	0		0	0		0	0		0	0		0	
27 SAVINGS PLAN CAPITALIZED	0	0		0		0	0		0	0		0	0		0	0		0	
28 PERCENT REPAIR ALLOWANCE	14,405,705	26,347,346		20,408,508		3,921,363	16,486,163		2,779,575	11,696,130		5,083,150	21,284,196		5,083,150	21,284,196		5,083,150	
29 BOOK/TAX UNIT OF PROPERTY ADJ	21,400,939	13,243,000		17,223,315		3,244,096	14,079,219		4,008,063	16,791,637		1,875,500	11,984,600		1,875,500	11,984,600		1,875,500	
30 BKTX UNIT OF PROPERTY ADJ-SEC 481 ADJ	137,581,242	90,780,300		114,175,214		28,009,866	86,165,405		37,152,631	100,406,610		18,867,100	71,922,200		18,867,100	71,922,200		18,867,100	
31 BKTX TAX IMED SERVICE COST ADJ	9,892,693	0		4,841,417		0	4,841,417		0	9,892,693		0	0		0	0		0	
32 BKTX IMED SERVICE COST ADJ-SEC 481 ADJ	18,079,186	0		9,039,593		0	9,039,593		0	18,079,186		0	0		0	0		0	
33 BKTX GAIN/LOSS OF MISC PROPD	0	0		0		0	0		0	0		0	0		0	0		0	
34 BKVS - TAX GAIN/LOSS - SPORN UNIT 5	0	0		0		0	0		0	0		0	0		0	0		0	
35 CAPITALIZED LEASES - AC 1011 ASSETS	0	0		0		0	0		0	0		0	0		0	0		0	
36 TAX ACCEL AMORT - SECTION 481(a) - CHANGE IN METH	1,854,708	2,896,942		2,425,328		399,481	2,025,847		297,791	1,858,075		441,172	2,454,771		441,172	2,454,771		441,172	
37 CAPITALIZED RELOCATION COSTS	15,080,660	20,410,811		20,745,735		1,982,027	18,763,708		697,875	14,382,788		3,266,160	23,144,631		3,266,160	23,144,631		3,266,160	
38 GAIN ON REACQUIRED DEBT	66,915,009	98,094,220		82,504,714		28,450,422	54,054,293		23,784,913	43,130,296		33,115,930	64,978,290		33,115,930	64,978,290		33,115,930	
39 REMOVAL COSTS REV-SFAS 143-ARO	0	0		0		0	0		0	0		0	0		0	0		0	
40 FERC - IAS ADJUSTMENT	0	0		0		0	0		0	0		0	0		0	0		0	
41 EXCESS DFIT	470,252,022	0		235,126,011		77,788,111	157,337,900		155,576,222	314,676,801		0	0		0	0		0	
42 NON-UTILITY DEFERRED FIT	425,564	455,873		(455,564)		(455,873)	0		0	0		0	0		0	0		0	
43 SFAS 109 FLOW THRU 282.1	47,448,307	47,860,307		47,448,307		47,860,307	47,860,307		47,448,307	47,860,307		47,448,307	47,860,307		47,448,307	47,860,307		47,448,307	
44 SFAS 109 EXCESS DFIT 282.4	(470,252,022)	(495,409,402)		(470,252,022)		(495,409,402)	0		0	0		0	0		0	0		0	
45																			
46																			
47 TOTAL ACCOUNT 282	839,029,185	773,360,063		422,348,091		447,067,222	1,241,352,281		399,360,891	841,091,350		406,888,466	855,388,810		391,833,315	828,583,070		391,833,315	
48																			
49 ACCOUNT 283																			
50 NOL - STATE CF - DEF STATE TAX ASSET - LT	8,857	14,762		11,810		0	11,810		0	8,857		0	14,762		0	0		0	
51 NOL-STATE CF-DEF TAX ASSET-LT-VV	(3,886)	(3,886)		(1,943)		0	(1,943)		0	(3,886)		0	0		0	0		0	
52 DEF FUEL EXP-CURR-DEF SET UP	1,412,099	36,926,031		18,169,066		0	18,169,066		0	1,412,099		0	36,926,031		0	0		0	
53 DEF FUEL EXP-OH FAC-CURRENT	0	(0)		(0)		0	(0)		0	(0)		0	(0)		0	0		(0)	
54 CAPD CARRY CHRG-DEF EXCHG	0	0		0		0	0		0	0		0	0		0	0		0	
55 FAC PROV-CONTRA ASSET-OH	0	0		0		0	0		0	0		0	0		0	0		0	
56 CARRY CHRG - OH FUEL ADJ CLAUSE-CURRENT	147,029	3,864,506		2,005,768		2,005,768	0		2,005,768	0		147,029	3,864,506		147,029	3,864,506		147,029	
57 UNREC'D COST FACILT RESERVE-OH	0	0		0		0	0		0	0		0	0		0	0		0	
58 DEF TAX GAIN - DIVIDEND OF PARK GARAGE	2,194,425	3,657,375		2,925,900		0	2,925,900		0	2,194,425		0	3,657,375		0	0		0	
59 OH UNREC'D FUEL COST RESERVE	0	0		0		0	0		0	0		0	0		0	0		0	
60 DEF OH AUCTION EXP-INCRM	(0)	(0)		(0)		0	(0)		0	(0)		0	(0)		0	0		(0)	
61 PROP TX STATE 2.0 OLD METHOD TX	17,541	26,292		23,415		18,891	4,614		14,897	3,453		23,515	5,774		23,515	5,774		23,515	
62 DEF TAX GAIN - DIVIDEND OF PARK GARAGE	5,090,980	24,863,996		14,977,486		0	14,977,486		0	5,090,980		0	24,863,996		0	0		0	
63 DEF TAX GAIN - SEC 481 ADJ	(217,086)	(264,460)		(215,773)		(215,773)	(215,773)		(167,086)	(264,460)		(215,773)	(264,460)		(215,773)	(264,460)		(215,773)	
64 MARK & SPREAD DEF-283-AL	0	0		0		0	0		0	0		0	0		0	0		0	
65 ACCR'D BK PENSION EXPENSE	33,763,970	57,821,783		45,792,876		5,778,155	40,014,721		4,338,879	29,427,000		7,219,430	50,602,353		7,219,430	50,602,353		7,219,430	
66 ACCR'D BK PENSION COSTS - SFAS 158	(37,880,223)	(69,236,083)		(52,068,123)		(7,895,8													

OHD POWER COMPANY  
ACCUMULATED DEFERRED INCOME TAX BY ACCOUNT 190  
PERIOD ENDING DECEMBER 31, 2018

DEBIT (CREDIT)

ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190	ACCOUNT 190		
	PER BOOKS	NON-APPL CABLE/NG/UTILITY	AVERAGE ELECTRIC	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/17	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/17	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/17	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/17	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/17	FUNCTIONALIZATION 12/31/18		
	BALANCE AS OF 12/31/18	BALANCE AS OF 12/31/17	BALANCE AS OF 12/31/18	BALANCE AS OF 12/31/17	UTILITY 12/31/17	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1	ACCOUNT 190																
2	NOL & TAX CREDIT OF - DEF TAX ASSET	0	12,581,494		6,290,747	0	153,222	6,137,525	0	0	0	0	0	0	0	306,444	12,275,050
3	RECALL- ITC - GENERATION PLANT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
4	ICDC REVENUES	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
5	INT EXP CAPITALIZED FOR TAX	18,627,195	27,739,079		23,133,137	0	11,382,084	11,751,003	0	9,069,810	9,461,365	0	0	0	13,698,368	14,040,720	0
6	CIAC - BOOK RECEIPTS	9,807,297	18,301,841		13,954,819	0	1,718,987	12,236,832	0	1,141,882	8,466,415	0	0	0	2,296,092	16,006,849	0
7	CUST ADV INC FOR TAX	3,334,350	7,746,164		5,336,793	0	0	5,336,793	0	0	3,334,350	0	0	0	0	7,746,164	0
8	TAXABLE GRANTS-CAPITAL PORTION	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
9	PROVS FOR RESERVE	16,251,647	32,509,395		24,380,716	0	2,482,838	21,897,877	0	534,149	15,717,947	0	0	0	4,431,527	28,076,407	0
10	PROV FOR RATE REFUND-TAX REFORM	3,744,000	0		1,872,000	0	0	1,872,000	0	0	3,744,000	0	0	0	0	0	0
11	PROV FOR RATE REFUND-EXCESS PROTECTED	444,474	0		222,237	0	0	222,237	0	0	444,474	0	0	0	0	0	0
12	LOSS ON DISP OF PROP- SFAS 143 - ARD -BK	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
13	PROV FOR RATE REFUND-EXCESS PROTECTED	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
14	MARK & SPREAD - DERL - 190 -AL	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
15	PROV WORKERS COMP	39,550	51,296		45,303	0	4,994	40,309	0	3,176	36,303	0	0	0	6,817	44,418	0
16	SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN	19,967	15,576		17,771	0	0	17,771	0	0	19,967	0	0	0	0	18,576	0
17	ACCRD SUPP EXEC RETIR PLAN COSTS-SFAS 158	66,159	109,594		87,627	0	0	87,627	0	0	66,159	0	0	0	0	109,594	0
18	ACCRD BK SUPP SAVINGS PLAN EXP	81,106	228,091		154,599	0	0	154,599	0	0	81,106	0	0	0	0	228,091	0
19	ACCRD BK BENEFIT COSTS	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
20	ACCRD PFI PLAN EXP	240,490	207,214		470,362	0	0	470,362	0	0	240,490	0	0	0	0	702,214	0
21	STOCK BASED COMP-CARRIER SHARES	154,223	257,039		205,611	0	0	205,611	0	0	154,223	0	0	0	0	257,039	0
22	BK ACCRD CUST EQUQ FUND REIMB	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
23	BK ACCRD COAL NOTE RECEIVABLE	188,560	209,920		199,340	0	520	198,715	0	1,050	187,510	0	0	0	0	209,920	0
24	BK PROVLT COAL NOTE RECEIVABLE	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
25	BK PROV UNCOLL ACCTS-T ORMET	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
26	BK PROV UNCOLL ACCTS-T	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
27	PROV-TRADING CREDIT RISK -AL	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
28	PROV-FAS 157 -AL	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
29	PIP CUSTOMER BAD DEBTS -BOOK	0	2,752,816		1,376,408	0	0	1,376,408	0	0	0	0	0	0	0	2,752,816	0
30	DEBT COMPENSATION-BOOK EXPENSE	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
31	BK LOSS PROV - PLANT MAS	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
32	ACCRD COMPANIMENT FLAMEENAGE TO GAIN	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
33	ACCRD COMPANIMENT FLAMEENAGE TO GAIN	3,157,488	2,339,269		2,748,379	0	172,177	2,576,202	0	212,520	2,948,968	0	0	0	132,834	2,206,435	0
34	ACCRD ENVIRONMENTAL LIAB-CURRENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
35	ACCRD ENVIRONMENTAL LIAB-CURRENT	2,192,359	3,612,236		2,962,448	0	(48,814)	2,913,262	0	(35,795)	2,228,154	0	0	(61,833)	3,674,369	0	
36	ACCRD INCENTIVE COMP DEFERRAL-PLAN	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
37	ACCRD INCENTIVE COMP DEFERRAL-PLAN	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
38	ACCRD INCENTIVE COMP DEFERRAL-PLAN	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
39	ACCRD PARTNERSHIP WITH OH-CURRENT	157,500	157,500		157,500	0	0	157,500	0	0	157,500	0	0	0	0	157,500	0
40	ACCRD PARTNERSHIP WITH OH-CURRENT	210,000	210,000		210,000	0	0	210,000	0	0	210,000	0	0	0	0	210,000	0
41	ACCRD OH GROWTH FUND-CURRENT	1,548,318	1,653,791		1,548,318	0	0	1,548,318	0	0	1,548,318	0	0	0	1,653,791	0	0
42	ACCRD OH GROWTH FUND-CURRENT	296,338	105,000		200,669	0	0	200,669	0	0	296,338	0	0	0	105,000	0	0
43	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
44	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
45	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
46	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
47	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
48	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
49	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
50	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
51	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
52	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
53	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
54	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
55	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
56	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
57	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
58	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
59	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
60	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
61	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
62	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
63	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
64	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
65	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
66	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
67	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
68	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
69	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
70	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
71	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
72	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
73	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
74	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
75	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0
76	ACCRD BK SUPP SAVINGS PLAN EXP	0	0		0</												





WHEELING POWER COMPANY  
ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 190  
PERIOD ENDED DECEMBER 31, 2018

DEBIT (CREDIT)

ACCOUNT 190	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O	
		PER BOOKS	NON-APPLICABLE/NON-UTILITY	NON-APPLICABLE/NON-UTILITY	NON-APPLICABLE/NON-UTILITY	NON-APPLICABLE/NON-UTILITY	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/18	
	BALANCE AS OF 12-31-18	BALANCE AS OF 12-31-17	BALANCE AS OF 12-31-18	BALANCE AS OF 12-31-17	BALANCE AS OF 12-31-17	(B+C+D+E)	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	
1 ACCOUNT 190:																
2																
3 NOL & TAX CREDIT C/F - DEF TAX ASSET	0	15,938				7,969	1	2,855	5,113					2	5,710	10,226
4 IGCC REVENUES	632,697	785,262				708,979	0	0	0	632,697	0	0		785,262	0	0
5 INT EXP CAPITALIZED FOR TAX	690,186	979,050				834,818	126,371	239,058	469,189	127,202	183,542	379,441		125,539	294,574	558,936
6 CIAC - BOOK RECEIPTS	858,463	1,135,444				996,954	0	363,239	633,715	0	253,232	605,232		0	473,246	662,198
7 SW OVER RECOVERY OF FUEL	0	0				0	0	0	0	0	0	0		0	0	0
8 SW UNDER RECOVERY OF FUEL	0	0				0	0	0	0	0	0	0		0	0	0
9 PROVS POSS REV REFS	78,431	482,439				280,435	0	280,435	0	0	78,431	0		0	482,439	0
10 PROV WORKERS COMP	77,589	154,364				115,976	0	(0)	115,976	0	(0)	77,589		0	(0)	154,364
11 ACCRUED PSI PLAN EXP	(0)	(0)				0	0	0	(0)	0	0	(0)		0	0	(0)
12 BK PROV UNCOLL ACCTS	27,925	47,155				37,540	0	0	37,540	0	0	27,925		0	0	47,155
13 MARK & SPREAD-DEFL-190-A/L	(40,809)	91,438				25,315	25,315	0	0	(40,809)	0	0		91,438	0	0
14 PROV-TRADING CREDIT RISK - A/L	166	68				117	117	0	0	166	0	0		68	0	0
15 PROV-FAS 157 - A/L	(0)	0				0	(0)	0	0	(0)	0	0		0	0	0
16 ACCRD COMPANY INCENT PLAN-ENGAGE TO GAIN	0	0				0	0	0	0	0	0	0		0	0	0
17 ACCRD COMPANYWIDE INCENTV PLAN	157,634	192,575				175,104	0	2,046	173,059	0	4,139	153,495		0	(47)	192,623
18 ACCRUED BOOK VACATION PAY	49,294	94,985				72,135	0	(3,325)	75,459	0	(2,494)	51,777		0	(4,156)	99,141
19 ACCRUED BK SEVERANCE BENEFITS	0	0				0	0	0	0	0	0	0		0	0	0
20 ACCRUED INTEREST-LONG-TERM - FIN 48	(31,823)	(46,772)				(39,297)	0	(47,636)	8,338	0	(36,258)	4,435		0	(59,014)	12,242
21 ACCRUED INTEREST-SHORT-TERM - FIN 48	542	755				649	0	33	616	0	28	515		0	38	717
22 PROV LOSS-CAR CHG-PURCHASD EMA	76,319	127,199				101,759	0	0	101,759	0	76,319	0		127,199	0	0
23 FEDERAL MITIGATION PROGRAMS	105,428	175,713				140,571	0	0	140,571	0	105,428	0		175,713	0	0
24 STATE MITIGATION PROGRAMS	(0)	(0)				0	0	0	0	(0)	0	0		(0)	0	0
25 TAX - BOOK BASIS - EMA-A/C 190	61,617	102,544				82,080	0	0	82,080	0	61,617	0		102,544	0	0
26 DEFD TX LOSS-INTERCO SALE-EMA	4,651	7,751				6,201	0	0	6,201	0	4,651	0		7,751	0	0
27 ADVANCE RENTAL INC (CUR MD)	27,230	40,385				33,808	0	0	33,808	0	0	27,230		0	0	40,385
28 DEFD REV-BONUS LEASE SHORT-TERM	30,209	151,047				90,628	0	0	90,628	0	30,209	0		151,047	0	0
29 DEFD REV-BONUS LEASE LONG-TERM	(0)	50,349				25,175	0	0	25,175	0	(0)	0		0	50,349	0
30 REG LIAB-UNREAL MTM GAIN-DEFL	738,875	349,765				544,320	0	0	544,320	0	738,875	0		349,765	0	0
31 CAPITALIZED SOFTWARE COSTS-TAX	(110)	461				176	0	672	(497)	0	(384)	0		274	(609)	1,070
32 ACCRD SFAS 106 PST RETIRE EXP	(905,647)	(484,807)				(395,227)	0	7,135	(402,362)	0	4,809	(310,456)		0	9,461	(494,268)
33 SFAS 106 PST RETIRE EXP - NON-DEDUCT CONT	162,802	271,336				217,069	0	16,509	200,560	0	12,382	150,420		0	20,637	250,699
34 ACCRD SFAS 112 PST EMPLOY BEN	(0)	(0)				0	0	0	0	0	0	0		0	0	(0)
ACCRD OPEB COSTS - SFAS 158	(20,351)	0				(10,176)	0	(952)	(9,223)	0	(1,905)	(18,447)		0	0	0
35 ACCRD BOOK ARO EXPENSE - SFAS 143	1,474,108	2,457,392				1,965,750	1,900,168	25,737	39,845	1,423,166	19,895	31,047		2,377,171	31,579	48,642
36 FIN 48 - DEFD STATE INCOME TAXES	(2,122)	(3,537)				(2,830)	0	(153)	(2,677)	0	(114)	(2,008)		0	(191)	(3,347)
37 DEFD STATE INCOME TAXES	2,564,226	3,866,877				3,225,451	2,888,611	37,203	298,637	2,155,926	55,138	353,162		3,621,295	19,269	246,112
38 ACCRD SIT/FRANCHISE TAX RESERVE	0	0				0	0	0	0	0	0	0		0	0	0
39 ACCRD SIT TX RESERVE-LNG-TERM-FIN 48	1,023	1,706				1,365	0	79	1,286	0	59	965		0	98	1,606
40 ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48	1,256	2,093				1,675	0	65	1,590	0	64	1,192		0	106	1,997
41 1991-1996 IRS AUDIT SETTLEMENT	1,421	2,369				1,895	0	0	1,895	0	0	1,421		0	2,369	0
42 IRS CAPITALIZATION ADJUSTMENT	(2,061)	(3,435)				(2,748)	0	0	(2,748)	0	0	(2,061)		0	0	(3,435)
43 RESTRICTED STOCK PLAN	19	31				25	0	0	25	0	0	19		0	0	31
44 AMT CREDIT - DEFERRED	0	101				51	0	51	0	0	0	0		0	101	0
45 NON-UTILITY DEFERRED FIT	24,378	85,151				(24,378)										(85,151)
46 SFAS 109 FLOW-THRU 190-3	8,160,883	8,311,862				(8,160,883)										(8,311,862)
47 SFAS 109 EXCESS PROFIT 190-4	19,021,327	23,481,026				(19,021,327)										(23,481,026)
48 SFAS 133 ADIT FED - Non-UMWA PRV OCI 1900011	20,163	(145,367)				(20,163)										145,367
49 ADIT FED - PENSION OCI NAF 1900009	0	0				0										0
50																
51 TOTAL ACCOUNT 190	34,645,927	42,800,506	(27,226,751)	(31,732,666)	9,243,512		6,639,799	922,398	1,681,311	5,315,063	570,947	1,533,167	7,964,534	1,273,850	1,829,456	

ATTACHMENT D

Populated Supplemental Remeasurement Worksheet  
for each AEP East Transmission Company

**TAX CUT and JOBS ACT of 2017**

A	B	C	D	E	F=E/C	G	H
Line No.	Utility Account	12/31/17 Pre-remeasurement Balance	Reference	Remeasurement Amount	Remeasurement Percentage (NOTE 1)	190/283 Recalss (NOTE 2)	Total Excess/Deficiency by Account (NOTE 3)
<b>TOTAL COMPANY</b>							
1	190 - Utility	\$299,354,118	2018 FF1 P. 234 Col (b) Line 8				
2		\$91,360	Less: Deferred State Taxes				
3	1901001	<u>\$299,262,758</u>		114,925,971	38%	(114,925,971)	-
4	2811001	(289,979,890)	2018 FF1 P. 272 Col (b) Line 8	(115,991,956)	40%		(115,991,956)
5	2821001	(1,982,378,027)	2018 FF1 P. 274 Col (b) Line 5	(785,862,991)	40%	(13,641,126)	(799,504,117)
6	283 - Utility	(426,174,211)	2018 FF1 P. 276 Col (b) Line 9				
7		(70,104,066)	Less: Accrued Deferred State Tax				
8	2831001	<u>(356,070,145)</u>		(141,371,168)	40%	128,567,097	(12,804,072)
9	Total	<u>(2,399,178,010)</u>	(Sum of Lns. 3+4+5+8)	<u>(928,300,145)</u>		<u>-</u>	<u>(928,300,145)</u>
<b>TRANSMISSION FUNCTION</b>							
10	1901001	64,030,742	Company Records	25,564,248	40%	(25,564,248)	-
11	2821001	(532,673,986)	Company Records	(211,738,348)	40%	(3,524,425)	(215,262,773)
12	2831001	(27,241,045)	Company Records	(11,031,930)	40%	29,088,673	18,056,743
13	Total	<u>(495,884,289)</u>	(Sum of Lns. 10+11+12)	<u>(197,206,030)</u>		<u>-</u>	<u>(197,206,030)</u>

NOTE 1: Remeasurement calculation may not equal 40% of the December 31, 2017 deferral balance because of specific ADIT items that are not subject to remeasurement.

NOTE 2: As part of the remeasurement calculation, the remeasurement ADIT balances in account 1901001 were reclassified to account 2831001 to group nonproperty utility deferrals together as one timing difference.

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

**TAX CUT and JOBS ACT of 2017**

A	B	C	D	E	F=E/C	G	H
Line No.	Utility Account	12/31/17 Pre-remeasurement Balance	Reference	Remeasurement Amount	Remeasurement Percentage (NOTE 1)	190/283 Recalss (NOTE 2)	Total Excess/Deficiency by Account (NOTE 3)
<b>TOTAL COMPANY</b>							
1	190 - Utility	\$891,603,052	2018 FF1 P. 234 Col (b) Line 8				
2		<u>1,334,608</u>	Less: Deferred State Taxes				
3	1901001	890,268,444		351,937,081	40%	(351,937,081)	-
4	2811001	(29,431,106)	2018 FF1 P. 272 Col (b) Line 8	(11,772,442)	40%	-	(11,772,442)
5	2821001	(1,379,310,545)	2018 FF1 P. 274 Col (b) Line 5	(550,083,931)	40%	(9,206,700)	(559,290,630)
6	2831001	(916,243,904)	2018 FF1 P. 276 Col (b) Line 9	(366,497,251)	40%	361,143,781	(5,353,470)
7	Total	<u>(1,434,717,111)</u>	(Sum of Lns. 3+4+5+6)	<u>(576,416,543)</u>		<u>-</u>	<u>(576,416,543)</u>
<b>TRANSMISSION FUNCTION</b>							
8	1901001	13,963,210	Company Records	5,574,048	40%	(5,574,048)	-
9	2821001	(236,519,561)	Company Records	(94,888,048)	40%	(2,323,240)	(97,211,288)
10	2831001	(6,806,204)	Company Records	(2,722,482)	40%	7,897,288	5,174,807
11	Total	<u>(229,362,555)</u>	(Sum of Lns. 7+8+9)	<u>(92,036,482)</u>		<u>-</u>	<u>(92,036,482)</u>

NOTE 1: Remeasurement calculation may not equal 40% of the December 31, 2017 deferral balance because of specific ADIT items that are not subject to remeasurement.

NOTE 2: As part of the remeasurement calculation, the remeasurement ADIT balances in account 1901001 were reclassified to account 2831001 to group nonproperty utility deferrals together as one timing difference.

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

**TAX CUT and JOBS ACT of 2017**

A	B	C	D	E	F=E/C	G	H
Line No.	Utility Account	12/31/17 Pre-remeasurement Balance	Reference	Remeasurement Amount	Remeasurement Percentage (NOTE 1)	190/283 Recalss (NOTE 2)	Total Excess/Deficiency by Account (NOTE 3)
<b>TOTAL COMPANY</b>							
1	190 - Utility	19,789,201	2018 FF1 P. 234 Col (b) Line 8				
2		<u>9,030,721</u>	Less: Deferred State Taxes				
3	1901001	10,758,480		4,187,586	39%	(4,187,586)	-
4	2811001	(55,503,729)	2018 FF1 P. 272 Col (b) Line 8	(22,201,492)	40%	-	(22,201,492)
5	2821001	(371,506,325)	2018 FF1 P. 274 Col (b) Line 5	(148,733,827)	40%	(2,055,012)	(150,788,839)
6	283 - Utility	(118,472,531)	2018 FF1 P. 276 Col (b) Line 9				
7	2831001	<u>(5,185,328)</u>	Less: Accrued Deferred State Tax				
		(113,287,203)		(45,314,881)	40%	6,242,598	(39,072,283)
8	Total	<u>(529,538,777)</u>	(Sum of Lns. 3+4+5+7)	<u>(212,062,614)</u>		<u>-</u>	<u>(212,062,614)</u>
<b>TRANSMISSION FUNCTION</b>							
9	1901001	3,999,147	Account 1901001	1,592,807	40%	(1,592,807)	-
10	2821001	(87,657,515)	Account 2821001	(35,180,892)	40%	(566,145)	(35,747,037)
11	2831001	(1,317,322)	Account 2831001	(526,929)	40%	2,158,952	1,632,024
12	Total	<u>(84,975,690)</u>		<u>(34,115,014)</u>		<u>-</u>	<u>(34,115,014)</u>

NOTE 1: Remeasurement calculation may not equal 40% of the December 31, 2017 deferral balance because of specific ADIT items that are not subject to remeasurement.

NOTE 2: As part of the remeasurement calculation, the remeasurement ADIT balances in account 1901001 were reclassified to account 2831001 to group nonproperty utility deferrals together as one timing difference.

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

**TAX CUT and JOBS ACT of 2017**

A	B	C	D	E	F=E/C	G	H
Line No.	Utility Account	12/31/17 Pre-remeasurement Balance	Reference	Remeasurement Amount	Remeasurement Percentage (NOTE 1)	190/283 Recalss (NOTE 2)	Total Excess/Deficiency by Account (NOTE 3)
<b>TOTAL COMPANY</b>							
1	1901001	(703,417)	2018 FF1 P. 234 Col (b) Line 8	(294,476)	42%	294,476	-
2	2811001	-	2018 FF1 P. 272 Col (b) Line 8	-		-	-
3	2821001	(29,612,981)	2018 FF1 P. 274 Col (b) Line 5	(11,851,565)	40%		(11,851,565)
4	2831001	(3,324,727)	2018 FF1 P. 276 Col (b) Line 9	(1,329,891)	40%	(294,476)	(1,624,367)
5	Total	<u>(33,641,125)</u>	(Sum of Lns. 1+2+3+4)	<u>(13,475,932)</u>		<u>-</u>	<u>(13,475,932)</u>
<b>TRANSMISSION FUNCTION</b>							
6	1901001	(57,262)	Company Records	(26,344)	46%	26,344	-
7	2821001	(7,046,756)	Company Records	(2,822,147)	40%	-	(2,822,147)
8	2831001	290,066	Company Records	116,026	40%	(26,344)	89,682
9	Total	<u>(6,813,952)</u>	(Sum of Lns. 7+8+9)	<u>(2,732,465)</u>		<u>-</u>	<u>(2,732,465)</u>

NOTE 1: Remeasurement calculation may not equal 40% of the December 31, 2017 deferral balance because of specific ADIT items that are not subject to remeasurement.

NOTE 2: As part of the remeasurement calculation, the remeasurement ADIT balances in account 1901001 were reclassified to account 2831001 to group nonproperty utility deferrals together as one timing difference.

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

**TAX CUT and JOBS ACT of 2017**

A	B	C	D	E	F=E/C	G	H
Line No.	Utility Account	12/31/17 Pre-remeasurement Balance	Reference	Remeasurement Amount	Remeasurement Percentage (NOTE 1)	190/283 Recalss (NOTE 2)	Total Excess/Deficiency by Account (NOTE 3)
<b>TOTAL COMPANY</b>							
1	190 - Utility	103,620,308	2018 FF1 P. 234 Col (b) Line 8				
2		(38,108,885)	Deferred Equity Carrying Charge				
3		42,177	Fuel Amortization				
4	1901001	<u>141,687,016</u>	Less: Deferred State Taxes	50,746,203	36%	(50,746,203)	-
5	2811001	-	2018 FF1 P. 272 Col (b) Line 8	-			-
6	2821001	(1,220,427,286)	2018 FF1 P. 274 Col (b) Line 5	(488,451,481)	40%	(6,957,920)	(495,409,402)
7	283 - Utility	(286,460,142)	2018 FF1 P. 276 Col (b) Line 9				
8		(39,451,844)	Less: Accrued Deferred State Tax				
9	2831001	<u>(247,008,298)</u>		(89,013,588)	36%	57,704,123	(31,309,465)
10	Total	<u>(1,325,748,568)</u>	(Sum of Lns. 3+4+5+8)	<u>(526,718,866)</u>		<u>-</u>	<u>(526,718,866)</u>
<b>TRANSMISSION FUNCTION</b>							
11	1901001	24,487,832	Company Records	9,670,560	39%	(9,670,560)	-
12	2821001	(391,833,315)	Company Records	(156,979,825)	40%	(2,558,168)	(159,537,993)
13	2831001	(44,333,059)	Company Records	(17,733,221)	40%	12,228,727	(5,504,494)
14	Total	<u>(411,678,542)</u>	(Sum of Lns. 9+10+11)	<u>(165,042,487)</u>		<u>(0)</u>	<u>(165,042,487)</u>

NOTE 1: Remeasurement calculation may not equal 40% of the December 31, 2017 deferral balance because of specific ADIT items that are not subject to remeasurement.

NOTE 2: As part of the remeasurement calculation, the remeasurement ADIT balances in account 1901001 were reclassified to account 2831001 to group nonproperty utility deferrals together as one timing difference.

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



**TAX CUT and JOBS ACT of 2017**

A	B	C	D	E	F=E/C	G	H
Line No.	Utility Account	12/31/17 Pre-remeasurement Balance	Reference	Remeasurement Amount	Remeasurement Percentage (NOTE 1)	190/283 Recalss (NOTE 2)	Total Excess/Deficiency by Account (NOTE 3)
<b>TOTAL COMPANY</b>							
1	1901001	11,067,842	2018 FF1 P. 234 Col (b) Line 8	4,420,720	40%	(4,420,720)	-
2	2811001	(52,771,599)	2018 FF1 P. 272 Col (b) Line 8	(21,108,640)	40%		(21,108,640)
3	2821001	(159,788,337)	2018 FF1 P. 274 Col (b) Line 5	(63,912,404)	40%	(160,714)	(64,073,118)
4	283 - Utility	(30,437,384)	2018 FF1 P. 276 Col (b) Line 9				
5		(11,104,791)	Less: Accrued Deferred State Tax				
6	2831001	(19,332,593)		(7,733,037)	40%	4,581,434	(3,151,603)
7	Total	<u>(220,824,687)</u>	(Sum of Lns. 1+2+3+6)	<u>(88,333,361)</u>		<u>-</u>	<u>(88,333,361)</u>
<b>TRANSMISSION FUNCTION</b>							
8	1901001	1,273,850	Company Records	507,216	40%	(507,216)	-
9	2821001	(26,144,513)	Company Records	(10,457,963)	40%	(44,324)	(10,502,287)
10	2831001	(499,418)	Company Records	(199,767)	40%	551,540	351,772
11	Total	<u>(25,370,082)</u>	(Sum of Lns. 9+10+11)	<u>(10,150,514)</u>		<u>-</u>	<u>(10,150,514)</u>

NOTE 1: Remeasurement calculation may not equal 40% of the December 31, 2017 deferral balance because of specific ADIT items that are not subject to remeasurement.

NOTE 2: As part of the remeasurement calculation, the remeasurement ADIT balances in account 1901001 were reclassified to account 2831001 to group nonproperty utility deferrals together as one timing difference.

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