



American Electric Power
801 Pennsylvania Ave, NW, Suite 735
Washington, DC 20004-2615

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 Transmission Companies: AEP Appalachian Transmission Company, Inc.; AEP Indiana Michigan Transmission Company, Inc.; AEP Kentucky Transmission Company, Inc.; AEP Ohio Transmission Company, Inc.; and AEP West Virginia Transmission Company, Inc..

Docket No. ER20-1888-000, Submission of Filing and Revised Attachment H-20B Formula Rates in Compliance with Order No. 864.

Dear Secretary Bose:

In compliance with Order No. 864,¹ the American Electric Power Service Corporation, (“AEP Service Corporation” or “AEPSC”)², on behalf of its affiliate AEP East Transmission Companies: AEP Appalachian Transmission Company, Inc.; AEP Indiana Michigan Transmission Company, Inc.; AEP Kentucky Transmission Company, Inc.; AEP Ohio Transmission Company, Inc.; and AEP West Virginia Transmission Company, Inc., (AEPSC and the AEP East Transmission 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-20B³ 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

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

² Pursuant to Order No. 714, this filing is submitted by PJM Interconnection, L.L.C. (“PJM”) on behalf of Appalachian Transmission Company, Inc., 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 Transmission Company, Inc. et. al. has requested PJM submit this compliance filing in the eTariff system as part of PJM’s electronic Intra PJM Tariff.

³ The AEP East Transmission Companies provide service under Attachment H-20; H-20B refers to the formula rate portion of this attachment.

requests an effective date of January 27, 2020, for these Tariff changes.⁴ The Company also provides a populated set of worksheets showing the determination 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,⁵ 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.⁶ 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.⁷ As described below, the existing Attachment H-20B 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.⁸ 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.⁹ 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.¹⁰ 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. 864.¹¹ The Commission also noted that under its previous accounting

⁴ 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).

⁵ *Id.* at P 28.

⁶ *Id.* at P 42.

⁷ *Id.* at PP 30, 43-44.

⁸ *Id.* at P 28.

⁹ *Id.* at P 28.

¹⁰ *Id.* At P 29.

¹¹ *Id.* at P 30.

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.¹²

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.¹³ 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.¹⁴ 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.¹⁵ 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.¹⁶ 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.¹⁷ Order No. 864 further requires each public utility with transmission formula rates to include in its transmission formula rates 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.¹⁸ 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.¹⁹

¹² *Id.* at P 31.

¹³ *Id.* at P 42.

¹⁴ *Id.* at P 44.

¹⁵ *Id.*

¹⁶ *Id.* at PP 44, 46

¹⁷ *Id.* at PP 34, 44-45.

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

¹⁹ *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.

Public utilities with transmission formula rates are also required to provide a populated version of this worksheet.²⁰ 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 classification or source in their proposed worksheets,” and provide supporting documentation.²¹ The Commission stated it will evaluate the individual permanent workpapers on a case-by-case basis.²²

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,²³ 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.²⁴

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 Transmission Companies are public utilities as defined in section 201(e) of the Federal Power Act.²⁵ AEP provides transmission service under the requirements defined in Attachment H-14 of the PJM OATT.

II. COMPLIANCE FILNG

A. Attachment H-20B’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.²⁶ The currently-effective Attachment H-20B 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 38-42, of Attachment H-

²⁰ *Id.* At P 63.

²¹ *Id.* At P 65.

²² *Id.* At P 66.

²³ *Id.* at P 100.

²⁴ Per the protocols governing AEP’s Attachment H-14, the filing deadline for annual informational filings for a calendar year is May 25th 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.

²⁵ 16 U.S.C. § 824(e).

²⁶ *Id.* at P 30.

20B's formula rate template incorporates the balances associated with ADIT recorded in Account Nos. 190 and 281-283. The sum of these amounts is reflected on page 2, line 43, and then flows to the total rate base as shown on page 2, line 58. As further explained in section II B.1 below, the amounts input in lines 38-42 will include the balances identified as 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.²⁷ This specific adjustment can be found on page 3, line 102 of the formula, while the tax-effected amount that will be included in the total cost of service is presented on line 106. 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.

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 Transmission Company.²⁸ In accounting 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.²⁹ 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.³⁰ In this way, the Company's Rate Base Adjustment Mechanism meets requirements for rate base neutrality and transparency.³¹

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

²⁷American Electric Power Service Corporation submits tariff filing per 35.13(a)(2)(iii): AEP submits OATT H-20 Revisions to be effective 1/1/2017 under ER17-406, filed November 22, 2016; approved by the Commission on April, 24, 2018.

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

²⁹ 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.

³⁰ *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.

³¹ *Id* at PP 28 and 30.

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 “Utility Property” or “Other Utility Deferrals.” The accounts designated with a “1” are the ADIT balances included in the rate base developed in the formula.³² 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 Transmission Company’s revenue requirement.

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.

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 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

³² 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).

ADIT for its PJM revenue requirement was agreed upon by the Company and its customers and approved by FERC.³³

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 row three 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-20B formula at page 3, line 102, columns (3) and (5). 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-20B already requires the Company to 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 Transmission Company’s 2018 formula true-up as Attachment C-1 to this filing.³⁴

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

³³ *Appalachian Power Company, et al*, 166 FERC ¶ 61,135 (2019).

³⁴ To demonstrate this, the Company has highlighted the specific tax deferral balances in Attachment C-1 that are being tracked on Attachment C.

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.³⁵ 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 Companies' 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 Transmission 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.³⁶

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 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-20B Tariff Sheets (clean);

³⁵ 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.

³⁶ 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.

Attachment B – Revised Attachment H-20B Tariff Sheets (redline);

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

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

Attachment D – Populated Supplemental Remeasurement Worksheet for each AEP East Transmission Company.

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,³⁷ 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-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 Region³⁸ 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

³⁷ See 18C.F.R §§ 35.2(e) and 385.2010(f)(3).

³⁸ PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

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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,

/s/ Stacey Burbure

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Dated: May 22, 2020

ATTACHMENT A
REVISED ATTACHMENT H-20B (CLEAN TARIFF)

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet A Rate Base
 Company Name

		Gross Plant In Service				
Line No	Month (a)	Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5
1	December Prior to Rate Year					
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)	Transmission (d)	Transmissio n ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 219, ln 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, ln 28, Col. (b)	Company Records (Included in total in Column (h))	FF1, page 200, ln 21, Col. (b)
15	December Prior to Rate Year					
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)
		Company Records (included in total in column (d) of gross plant above)	Company Records (included in total in column (d) of accumulated depreciation above)	Company Records	Company Records
	(Note A)				
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 Accumulated
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 43)</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.

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet B Supporting ADIT and ITC Balances
 AEP _____ TRANSMISSION COMPANY

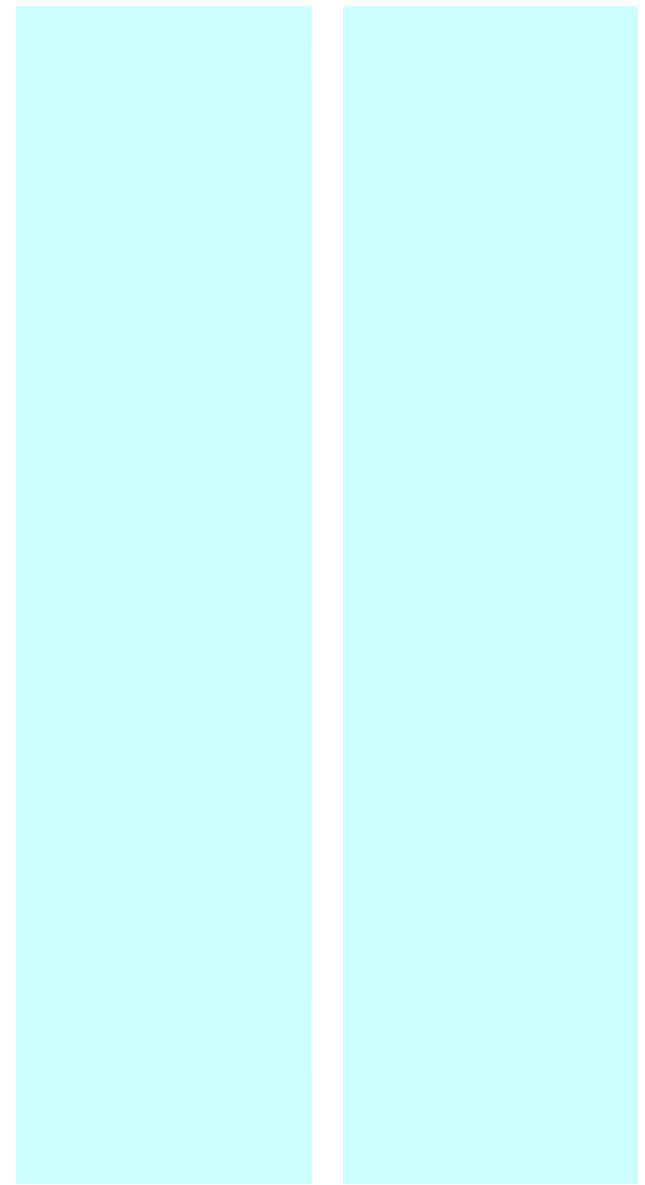
<u>Line</u> <u>Number</u>	<u>(A)</u> <u>Description</u>	<u>(B)</u> <u>Source</u>	<u>(C)</u> <u>Balance @ December</u> <u>31,</u>	<u>(D)</u> <u>Balance @ December</u> <u>31,</u>	<u>(E)</u> <u>Average Balance</u> <u>for</u>
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, 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	<u>Account 282</u>				
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	<u>Account 283</u>				
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	<u>Account 190</u>				
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	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)			-
23	Less: Balances Not Qualified for Ratebase	Company Records – Note 1			-
24	ITC Balances Includeable in Ratebase	Ln 22 - ln 23	-	-	-
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)			-
NOTE 1	On this worksheet, "Company Records" refers to AEP's tax forecast and accounting ledger. The PRTR will use projected ending balances and reflect proration required by IRS Letter Rule Section 1.167(l)-(h)(6)(ii). Line item detail of actual deferred tax items will be included on Worksheets B-1 and B-2.				
NOTE 2	ADIT balances should exclude balances related to hedging activity.				

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

(DEBIT)
 CREDIT

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
	PER BOOKS	NON-APPLICABLE/NON-UTILITY		AVERAGE ELECTRIC UTILITY (B+C+D+E) / 2	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2016			FUNCTIONALIZATION 12/31/2017			
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		GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1.00 ACCOUNT 281:														
2.01														
2.02	0	0			0	0	0	0						
2.03														
2.04	0	0	0	0	0									
2.05	0	0	0	0	0									
2.06	0	0	0	0	0									
3 TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 ACCOUNT 282:														
5.01	0	0			0	0	0	0						
5.02	0	0			0	0	0	0						
5.03	0	0			0	0	0	0						
5.04	0	0			0	0	0	0						
5.05	0	0			0	0	0	0						
5.06	0	0			0	0	0	0						

5.07	0	0	0	0	0	0	0
5.08	0	0	0	0	0	0	0
5.09	0	0	0	0	0	0	0
5.10	0	0	0	0	0	0	0
5.11	0	0	0	0	0	0	0
5.12	0	0	0	0	0	0	0
5.13	0	0	0	0	0	0	0
5.14	0	0	0	0	0	0	0
5.15	0	0	0	0	0	0	0
5.16	0	0	0	0	0	0	0
5.17	0	0	0	0	0	0	0
5.18	0	0	0	0	0	0	0
5.19	0	0	0	0	0	0	0
5.20	0	0	0	0	0	0	0
5.21	0	0	0	0	0	0	0
5.22	0	0	0	0	0	0	0
5.23	0	0	0	0	0	0	0
5.24	0	0	0	0	0	0	0
5.25	0	0	0	0	0	0	0
5.26	0	0	0	0	0	0	0
5.27	0	0	0	0	0	0	0
5.28	0	0	0	0	0	0	0
5.29	0	0	0	0	0	0	0
5.30	0	0	0	0	0	0	0
5.31	0	0	0	0	0	0	0
5.32	0	0	0	0	0	0	0
5.33	0	0	0	0	0	0	0
5.34	0	0	0	0	0	0	0
5.35	0	0	0	0	0	0	0
5.36	0	0	0	0	0	0	0
5.37	0	0	0	0	0	0	0
5.38	0	0	0	0	0	0	0
5.39	0	0	0	0	0	0	0



5.40	0	0	0
5.41	0	0	0

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

8 ACCOUNT 283:

9.01	0	0	0	0	0	0	0
9.02	0	0	0	0	0	0	0
9.03	0	0	0	0	0	0	0
9.04	0	0	0	0	0	0	0
9.05	0	0	0	0	0	0	0
9.06	0	0	0	0	0	0	0
9.07	0	0	0	0	0	0	0
9.08	0	0	0	0	0	0	0
9.09	0	0	0	0	0	0	0
9.10	0	0	0	0	0	0	0
9.11	0	0	0	0	0	0	0
9.12	0	0	0	0	0	0	0
9.13	0	0	0	0	0	0	0
9.14	0	0	0	0	0	0	0
9.15	0	0	0	0	0	0	0
9.16	0	0	0	0	0	0	0
9.17	0	0	0	0	0	0	0
9.18	0	0	0	0	0	0	0
9.19	0	0	0	0	0	0	0
9.20	0	0	0	0	0	0	0
9.21	0	0	0	0	0	0	0
9.22	0	0	0	0	0	0	0
9.23	0	0	0	0	0	0	0
9.24	0	0	0	0	0	0	0

9.25	0	0	0	0	0	0
9.26	0	0	0	0	0	0
9.27	0	0	0	0	0	0
9.28	0	0	0	0	0	0
9.29	0	0	0	0	0	0
9.30	0	0	0	0	0	0
9.31	0	0	0	0	0	0
9.32	0	0	0	0	0	0
9.33	0	0	0	0	0	0
9.34	0	0	0	0	0	0
9.35	0	0	0	0	0	0
9.36	0	0	0	0	0	0
9.37	0	0	0	0	0	0
9.38	0	0	0	0	0	0
9.39	0	0	0	0	0	0
9.40	0	0	0	0	0	0
9.41	0	0	0	0	0	0
9.42	0	0	0	0	0	0
9.43	0	0	0	0	0	0
9.44	0	0	0	0	0	0
9.45	0	0	0	0	0	0
9.46	0	0	0	0	0	0
9.47	0	0	0	0	0	0
9.48	0	0	0	0	0	0
9.49	0	0	0	0	0	0
9.50	0	0	0	0	0	0
9.51	0	0	0	0	0	0
9.52	0	0	0	0	0	0
9.53	0	0	0	0	0	0
9.54	0	0	0	0	0	0
9.55	0	0	0	0	0	0
9.56	0	0	0	0	0	0
9.57	0	0	0	0	0	0

9.58	0	0	0	0	0	0
9.59	0	0	0	0	0	0
9.60	0	0	0	0	0	0
9.61	0	0	0	0	0	0
9.62	0	0	0	0	0	0
9.63	0	0	0	0	0	0
9.64	0	0	0	0	0	0
9.65	0	0	0	0	0	0
9.66	0	0	0	0	0	0
9.67	0	0	0	0	0	0
9.68	0	0	0	0	0	0
9.69	0	0	0	0	0	0
9.70	0	0	0	0	0	0
9.71	0	0	0	0	0	0
9.72	0	0	0	0	0	0
9.73	0	0	0	0	0	0
9.74	0	0	0	0	0	0
9.75	0	0	0	0	0	0
9.76	0	0	0	0	0	0
9.77	0	0	0	0	0	0
9.78	0	0	0	0	0	0
9.79	0	0	0	0	0	0
9.80	0	0	0	0	0	0
9.81	0	0	0	0	0	0
9.82	0	0	0	0	0	0
9.83	0	0	0	0	0	0
9.84	0	0	0	0	0	0
9.85	0	0	0	0	0	0
9.86	0	0	0	0	0	0
9.87	0	0	0	0	0	0
9.88	0	0	0	0	0	0
9.89	0	0	0	0	0	0
9.90	0	0	0	0	0	0

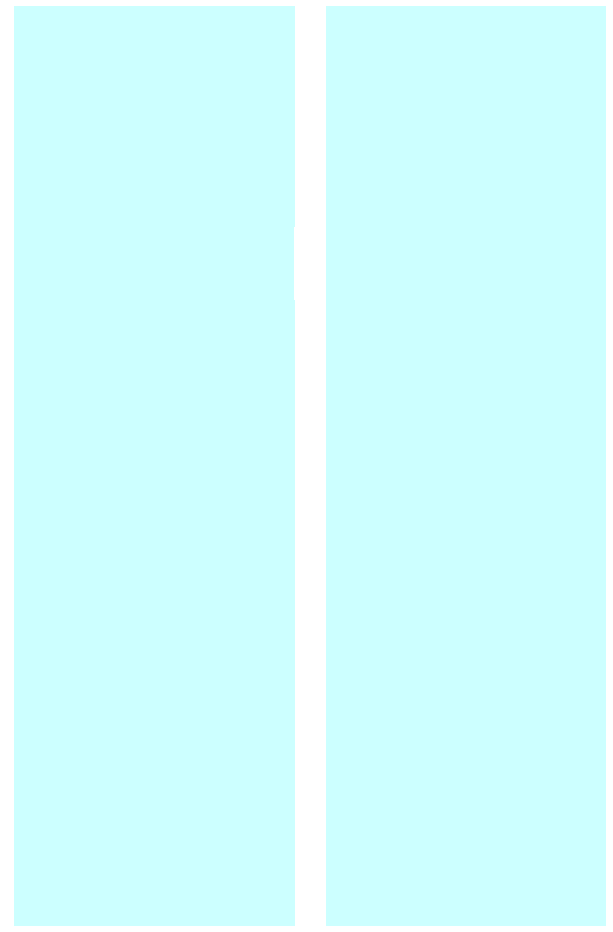
9.91		0	0		0	0	0	0		
9.92		0	0		0	0	0	0		
9.93		0	0		0	0	0	0		
9.94				0	0	0				
9.95				0	0	0				
9.96				0	0	0				
9.97				0	0	0				
9.98				0	0	0				
9.99				0	0	0				
10		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
11	DEFD STATE INCOME TAXES	0	0		0	0	0	0		
11.01				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>
13	ACCOUNT 283 - ARO-Related Deferals	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 INV TAX CRED. (JDITC)									
18	IN A/C 255									
18.01		0	0		0	0	0	0		
18.02		0	0		0	0	0	0		
19										
20	TOTAL ACCOUNT 255	<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>

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

COLUMN A	PER BOOKS		NON- APPLICABLE/NON- UTILITY		AVERAGE ELECTRIC UTILITY (B+C+D+E) /2	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2016			FUNCTIONALIZATION 12/31/2017		
	BALANCE AS OF 12-31- 2016	BALANCE AS OF 12-31- 2017	BALAN CE AS OF 12- 31- 2016	BALA NCE AS OF 12- 31- 2017		GENER ATION	TRANSM SSION	DISTRIB UTION	GENER ATION	TRANSM SSION	DISTRIB UTION	GENER ATION	TRANSM SSION	DISTRIB UTION
1 ACCOUNT 190:														
2.01	0	0			0	0	0	0						
2.02	0	0			0	0	0	0						
2.03	0	0			0	0	0	0						
2.04	0	0			0	0	0	0						
2.05	0	0			0	0	0	0						
2.06	0	0			0	0	0	0						
2.07	0	0			0	0	0	0						
2.08	0	0			0	0	0	0						
2.09	0	0			0	0	0	0						
2.10	0	0			0	0	0	0						
2.11	0	0			0	0	0	0						
2.12	0	0			0	0	0	0						
2.13	0	0			0	0	0	0						
2.14	0	0			0	0	0	0						
2.15	0	0			0	0	0	0						
2.16	0	0			0	0	0	0						
2.17	0	0			0	0	0	0						
2.18	0	0			0	0	0	0						
2.19	0	0			0	0	0	0						
2.20	0	0			0	0	0	0						
	0	0			0	0	0	0						

2.21							
2.22	0	0	0	0	0	0	0
2.23	0	0	0	0	0	0	0
2.24	0	0	0	0	0	0	0
2.25	0	0	0	0	0	0	0
2.26	0	0	0	0	0	0	0
2.27	0	0	0	0	0	0	0
2.28	0	0	0	0	0	0	0
2.29	0	0	0	0	0	0	0
2.30	0	0	0	0	0	0	0
2.31	0	0	0	0	0	0	0
2.32	0	0	0	0	0	0	0
2.33	0	0	0	0	0	0	0
2.34	0	0	0	0	0	0	0
2.35	0	0	0	0	0	0	0
2.36	0	0	0	0	0	0	0
2.37	0	0	0	0	0	0	0
2.38	0	0	0	0	0	0	0
2.39	0	0	0	0	0	0	0
2.40	0	0	0	0	0	0	0
2.41	0	0	0	0	0	0	0
2.42	0	0	0	0	0	0	0
2.43	0	0	0	0	0	0	0
2.44	0	0	0	0	0	0	0
2.45	0	0	0	0	0	0	0
2.46	0	0	0	0	0	0	0
2.47	0	0	0	0	0	0	0
2.48	0	0	0	0	0	0	0
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
2.67	0	0	0	0	0	0	0
2.68	0	0	0	0	0	0	0
2.69	0	0	0	0	0	0	0
2.70	0	0	0	0	0	0	0
2.71	0	0	0	0	0	0	0
2.72	0	0	0	0	0	0	0
2.73	0	0	0	0	0	0	0
2.74	0	0	0	0	0	0	0
2.75	0	0	0	0	0	0	0
2.76	0	0	0	0	0	0	0
2.77	0	0	0	0	0	0	0
2.78	0	0	0	0	0	0	0
2.79	0	0	0	0	0	0	0
2.80			0	0	0		
2.81			0	0	0		
2.82			0	0	0		
2.83			0	0	0		
2.84			0	0	0		
2.85			0	0	0		
2.86			0	0	0		
2.87			0	0	0		



2.88											
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>
4	ACCOUNT 190 - ARO-Related Deferrals	<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>

COMPANY NAME HERE
 Worksheet B-3
 Excess/ Deficient ADIT Worksheet
 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 Entries (Sum of Lines 1a through 2_)				-		

I	J	K	L	M	N	O	P	Q	R
1/1/20__ Beginning	Balances		Balance Sheet Entries		Tax Expense Entries		12/31/20__ Ending Balance		
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

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 OR DEFICIENT 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 1h are shown as a debit or credit to the ADIT account from which it is being amortized. The total in line 3 is the offset recorded to the 410/411 account and will tie to the total company amount of excess or deficient ADIT amortization shown on line 102 of the cost of service.

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

(A) <u>Line Number</u>	(B)	(C) <u>Source</u>	(D) <u>Balance @ December 31,</u>	(E) <u>Balance @ December 31,</u>	(F) <u>Average Balance for</u>	(G)	(H)	(I)	
Materials & Supplies									
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)	0	0	-				
4	Stores Expense (Undistributed) – Account 163	FF1, p. 227, ln 16, Col. (c) & (b)	0	0	-				
Prepayment Balance Summary (Note 1)									
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,	0	0	0	0	0	0		
7	Totals as of December 31,								
8	Average Balance	-	-	-	-	-	-		
Prepayments Account 165 - Balance @ 12/31/									
9	<u>Acc. No.</u>	<u>Description</u>	<u>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>	<u>Explanation</u>
10			-	-	-	-	-	-	
11			-	-	-	-	-	-	
12			-	-	-	-	-	-	
13			-	-	-	-	-	-	
14			-	-	-	-	-	-	
15			-	-	-	-	-	-	
16			-	-	-	-	-	-	
17			-	-	-	-	-	-	
18			-	-	-	-	-	-	
19			-	-	-	-	-	-	
		Subtotal - Form 1, p 111.57.c	0	0	0	0	0	0	
Prepayments Account 165 - Balance @ 12/31/									
20	<u>Acc. No.</u>	<u>Description</u>	<u>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>	<u>Explanation</u>
21			-	-	-	0	-	-	
22			-	-	-	0	-	-	
23			-	-	-	0	-	-	
24			-	-	-	-	-	-	
25			-	0	-	-	-	-	
26			-	0	-	-	-	-	
27			-	0	-	-	-	-	
28			-	0	-	-	-	-	
29			-	-	-	0	-	-	
30			-	0	-	-	-	-	
31			-	0	-	-	-	-	
		Subtotal - Form 1, p 111.57.d	-	0	-	0	0	-	

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

Note 1:

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet D Supporting IPP Credits
 AEP _____ TRANSMISSION COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B)</u>
1	Net Funds from IPP Customers 12/31/___ (___ FORM 1, P269)	-
2	Interest Expense (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/ (___ FORM 1, P269)	-
8	Average Balance for Year as Indicated in Column ((ln 1 + ln 7)/2)	-
Note 1	On this worksheet Company Records refers to AEP ___ TRANSMISSION COMPANY 's general ledger.	

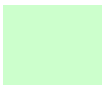
AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet E Supporting Revenue Credits
 AEP _____ TRANSMISSION COMPANY

<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			
9	Facility Credits under PJM OATT Section 30.9			-
Note 1	The total company data on this worksheet comes from the indicated FF1 source, or AEP _____ TRANSMISSION COMPANY 's general ledger. The functional amounts identified as transmission revenue also come from the general ledger.			
Note 2	The total of line 4 and line 5 will equal total Account 456 as listed on FF1 p.300.21-22.(b)			

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

(A)	(B)	(C)	(D)	(E)	(F)	
<u>Line Number</u>	<u>Item No.</u>	<u>Description</u>	<u>Expense</u>	<u>100% Non-Transmission</u>	<u>100% Transmission Specific</u>	<u>Explanation</u>
1		Regulatory O&M Deferrals & Amortizations	-			
2			-			
3			-			
4		Total	0			
		Detail of Account 561 Per FERC Form 1				
5		561.1 - Load Dispatch - Reliability				
6	FF1 p 321.85.b	561.2 - Load Dispatch - Monitor & Operate Trans System				
7	FF1 p 321.86.b	561.3 - Load Dispatch - Trans Service & Scheduling				
8	FF1 p 321.87.b	561.4 - Scheduling, System Control & Dispatch				
9	FF1 p 321.88.b	561.5 - Reliability, Planning and Standards Development				
10	FF1 p 321.89.b	561.6 - Transmission Service Studies				
11	FF1 p 321.90.b	561.7 - Generation Interconnection Studies				
12	FF1 p 321.91.b	561.8 - Reliability, Planning and Standards Development Services				
13	FF1 p 321.92.b					
14		Total of Account 561				
		Account 928				
15					-	
16					-	
17					-	
18					-	
19					-	
20					-	
21		Total (FERC Form 1 p.323.189.b)	-	-	-	
		Account 930.1				
22				-	-	
23				-	-	
24				-	-	
25				-	-	
26				-	-	
27				-	-	
28				-	-	
29				-	-	
30				-	-	
31				-	-	
32				-	-	
33				-	-	
34				-	-	
35				-	-	
36				-	-	
37				-	-	
38		Total (FERC Form 1 p.323.191.b)	-	-	-	
		Account 930.2				
39						
40						
41						
42						
43		Total (FERC Form 1 p.323.192.b)	-	-	-	

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

1	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
2	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
3	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
4	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
5	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
	Total Effective State Income Tax Rate		<hr style="border: 0.5px solid black;"/> <hr style="border: 0.5px solid black;"/>

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

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FFI Balances
 Worksheet H Supporting Taxes Other than Income
 AEP _____ TRANSMISSION COMPANY

Line No.	(A) Account	(B) Total Company	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
1	Revenue Taxes	NOTE 1				
2	List Individual Taxes Here					
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - Jurisdiction #1		-			
5	Real and Personal Property - Jurisdiction #2		-			
6	Real and Personal Property - Jurisdiction #3		-			
7	Real and Personal Property - Other Jurisdictions		-			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)			-		
10	Federal Unemployment Tax			-		
11	State Unemployment Insurance			-		
12	Line Deliberately Left Blank					
13	State Severance Taxes					-
14	Miscellaneous Taxes					
15	List Individual Taxes Here					
16					-	-
17					-	-
18					-	-
19					-	-
20					-	-
21					-	-
22					-	-
23	Total Taxes by Allocable Basis	-	-	-	-	-

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

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

Functional Property Tax Allocation

	Lines 24-58 Column (B) Deliberately Left Blank	Transmission	Lines 24-58 Column (D) Deliberately Left Blank	General	Total
24	Functionalized Net Plant (TCOS, Lns 33 thru 36)				
25	JURISDICTION				
26	Percentage of Plant in _____ JURISDICTION				
27	Net Plant in _____ JURISDICTION (Ln 24 * Ln 25)				
28	Less: Net Value of Exempted Generation Plant				
29	Taxable Property Basis (Ln 26 - Ln 27)				
30	Relative Valuation Factor				
31	Weighted Net Plant (Ln 28 * Ln 29)				
32	General Plant Allocator (Ln 31 / (Total - General Plant))				
33	Functionalized General Plant (Ln 31 * General Plant)				
34	Weighted _____ JURISDICTION Plant (Ln 30 + 32)				
35	Functional Percentage (Ln 33/Total Ln 33)				
36	Net Plant in _____ JURISDICTION (Ln 24 - Ln 26)				
37	Less: Net Value of Exempted Generation Plant				
38	Taxable Property Basis (Ln 36 - Ln 37)				
39	Relative Valuation Factor				
40	Weighted Net Plant (Ln 37 * Ln 38)				
41	General Plant Allocator (Ln 39 / (Total - General Plant))				
42	Functionalized General Plant (Ln 41 * General Plant)				
43	Weighted _____ JURISDICTION Plant (Ln 39 + 41)				
	Functional Percentage (Ln 42/Total Ln 42)				

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

Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference	(F) Tax Year Factor (Note 2)	(G) Transmission Function (Note 2)
1	Revenue Taxes					
2	Gross Receipts Tax			P.263.1 ln 7 (i) P.263.2 ln 3 (i) P.263.2 ln 4 (i)		
3	Real Estate and Personal Property Taxes Total (Ln 4 + Ln 5 + Ln 6 + Ln 7)					
4	Real and Personal Property -					
5	Real and Personal Property -					
6	Real and Personal Property -					
7	Real and Personal Property - Other Jurisdictions					
Line No.	(A) Annual Tax Expense by Type (Note 1)		(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference		
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)			P.263 ln 6 (i)		
10	Federal Unemployment Tax			P.263 ln 9 (i)		
11	State Unemployment Insurance			P.263.1 ln 23 (i) P.263.3 ln 16 (i)		
12	Line Left Deliberately Blank					
13	State Severance Taxes					
14	Miscellaneous Taxes					
15	State Business & Occupation Tax			P.263 ln 21 (i) P.263 ln 22 (i)		
16	State Public Service Commission Fees			P.263 ln 26 (i) P.263.3 ln 20 (i)		
17	State Franchise Taxes			P.263.1 ln 18 (i) P.263.4 ln 27 (i)		
18	State Lic/Registration Fee			P.263.1 ln 15 (i) P.263.4 ln 21 (i)		
19	Misc. State and Local Tax			P.263.1 ln 12 (i)		

20	Sales & Use	[Redacted]	P.263 ln 30 (i) P.263.3 ln 21 (i)
21	Federal Excise Tax	[Redacted]	P.263 ln 13 (i) P.263 ln 14 (i)
22	Michigan Single Business Tax	[Redacted]	
23	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	[Redacted]	

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

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1
Balances
Worksheet I RESERVED
AEP _____ TRANSMISSION COMPANY

RESERVED FOR FUTURE USE

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

- I. Calculate Return and Income Taxes with basis point ROE increase for Projects Qualified for Regional Billing.**
A. Determine 'R' with hypothetical basis point increase in ROE for Identified Projects
 ROE w/o incentives (TCOS, ln 138) 11.49%
 Project ROE Incentive Adder
 ROE with additional basis point incentive
 Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 164 through 166)

	%	Cost	Weighted cost	
Long Term Debt	0.00%	0.00%		0.000%
Preferred Stock	0.00%	0.00%		0.000%
Common Stock	0.00%	11.49%		0.000%
R =				0.000%

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS			
	Rev Require	W Incentives	Incentive Amounts
PROJECTED YEAR	-	-	\$ -

- B. Determine Return using 'R' with hypothetical basis point ROE increase for Identified Projects.**
 Rate Base (TCOS, ln 58) -
 R (from A. above) 0.000%
 Return (Rate Base x R) -
C. Determine Income Taxes using Return with hypothetical basis point ROE increase for Identified Projects.
 Return (from B. above) -
 Effective Tax Rate (TCOS, ln 97) 0.00%
 Income Tax Calculation (Return x CIT) -
 ITC Adjustment -
 Excess Deferred Income Tax -
 Tax Affect of Permanent Differences -
 Income Taxes -

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

- A. Determine Annual Revenue Requirement less return and Income Taxes.**
 Annual Revenue Requirement (TCOS, ln 1) -
 Lease Payments (TCOS, Ln 80) -
 Return (TCOS, ln 109) -
 Income Taxes (TCOS, ln 108) -
 Annual Revenue Requirement, Less Lease Payments, Return and Taxes -
B. Determine Annual Revenue Requirement with hypothetical basis point increase in ROE.
 Annual Revenue Requirement, Less Lease payments, Return and Taxes -
 Return (from I.B. above) -
 Income Taxes (from I.C. above) -
 Annual Revenue Requirement, with Basis Point ROE increase -
 Depreciation & Amortization (TCOS, ln 83) -
 Annual Rev. Req. w/ Basis Point ROE increase, less Depreciation -
C. Determine FCR with hypothetical basis point ROE increase.
 Net Transmission Plant (TCOS, ln 33) -
 Annual Revenue Requirement, with Basis Point ROE increase -
 FCR with Basis Point increase in ROE 0.00%
 Annual Rev. Req. w/ Basis Point ROE increase, less Dep. -
 FCR with Basis Point ROE increase, less Depreciation 0.00%
 FCR less Depreciation (TCOS, ln 10) 0.00%
 Incremental FCR with Basis Point ROE increase, less Depreciation 0.00%

II

I. Calculation of Composite Depreciation Rate

- Average Transmission Plant Balance for ____ TCOS, ln 19 -
 Annual Depreciation and Amortization Expense(TCOS, ln 83) -
 Composite Depreciation Rate 0.00%
 Depreciable Life for Composite Depreciation Rate -
 Average Life in Whole Years -

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

TransCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones
 IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.
 A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [redacted] (e.g. ER10-925-000)

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

Project Description:

Details	
Investment	Current Year
Service Year (yyyy)	0 ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	FCR w/o incentives, less depreciation 0.00%
Useful life	FCR w incentives approved for these facilities, less dep. 0.00%
CIAC (Yes or No)	0 Annual Depreciation Expense -

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
 CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
 INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR

TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
0	-	-	-	-	-	\$ -				
1	-	-	-	-	-	\$ -				
2	-	-	-	-	-	\$ -				
3	-	-	-	-	-	\$ -				
4	-	-	-	-	-	\$ -				
5	-	-	-	-	-	\$ -				
6	-	-	-	-	-	\$ -				
7	-	-	-	-	-	\$ -				
8	-	-	-	-	-	\$ -				
9	-	-	-	-	-	\$ -				
10	-	-	-	-	-	\$ -				
11	-	-	-	-	-	\$ -				
12	-	-	-	-	-	\$ -				
13	-	-	-	-	-	\$ -				
14	-	-	-	-	-	\$ -				
15	-	-	-	-	-	\$ -				
16	-	-	-	-	-	\$ -				
17	-	-	-	-	-	\$ -				
18	-	-	-	-	-	\$ -				
19	-	-	-	-	-	\$ -				
20	-	-	-	-	-	\$ -				
21	-	-	-	-	-	\$ -				
22	-	-	-	-	-	\$ -				
23	-	-	-	-	-	\$ -				
24	-	-	-	-	-	\$ -				
25	-	-	-	-	-	\$ -				
26	-	-	-	-	-	\$ -				
27	-	-	-	-	-	\$ -				
28	-	-	-	-	-	\$ -				
29	-	-	-	-	-	\$ -				
30	-	-	-	-	-	\$ -				
31	-	-	-	-	-	\$ -				
32	-	-	-	-	-	\$ -				
33	-	-	-	-	-	\$ -				
34	-	-	-	-	-	\$ -				
35	-	-	-	-	-	\$ -				
36	-	-	-	-	-	\$ -				
37	-	-	-	-	-	\$ -				
38	-	-	-	-	-	\$ -				
39	-	-	-	-	-	\$ -				
40	-	-	-	-	-	\$ -				
41	-	-	-	-	-	\$ -				
42	-	-	-	-	-	\$ -				
43	-	-	-	-	-	\$ -				
44	-	-	-	-	-	\$ -				
45	-	-	-	-	-	\$ -				
46	-	-	-	-	-	\$ -				
47	-	-	-	-	-	\$ -				
48	-	-	-	-	-	\$ -				
49	-	-	-	-	-	\$ -				
50	-	-	-	-	-	\$ -				
51	-	-	-	-	-	\$ -				
52	-	-	-	-	-	\$ -				
53	-	-	-	-	-	\$ -				
54	-	-	-	-	-	\$ -				
55	-	-	-	-	-	\$ -				
56	-	-	-	-	-	\$ -				
57	-	-	-	-	-	\$ -				
58	-	-	-	-	-	\$ -				
59	-	-	-	-	-	\$ -				

Project Totals
 ** This is the total amount that needs to be reported to PJM for billing to all regions.
 ## This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

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

I.

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

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

ROE w/o incentives (TCOS, ln 138)			11.49
Project ROE Incentive Adder			0
ROE with additional 0 basis point incentive			
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 164 through 166)			
	%	Cost	Weighted cost
Long Term Debt	0.00%	0.00%	0.000%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	0.00%	0.00%	11.490%
		R =	0.000%

TRUE-UP YEAR	Rev Require	W Incentives	Incentive Amounts
As Projected in Prior Year WS J	-	-	\$ -
Actual after True-up	\$ -	\$ -	\$ -
True-up of ARR For ____	-	-	-

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

Rate Base (TCOS, ln 58)	0.000
R (from A. above)	%
Return (Rate Base x R)	-

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

Return (from B. above)	-
Effective Tax Rate (TCOS, ln 97)	0.00%
Income Tax Calculation (Return x CIT)	-
ITC Adjustment	-
Excess Deferred Income Tax	-
Tax Affect of Permanent Differences	-
Income Taxes	-

II.

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

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

Annual Revenue Requirement (TCOS, ln 1)	-
Lease Payments (TCOS, Ln 80)	-
Return (TCOS, ln 109)	-
Income Taxes (TCOS, ln 108)	-
Annual Revenue Requirement, Less Lease payments, Return and Taxes	-

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

Annual Revenue Requirement, Less Lease payments, Return and Taxes	-
Return (from I.B. above)	-
Income Taxes (from I.C. above)	-
Annual Revenue Requirement, with 0 Basis Point ROE increase	-
Depreciation (TCOS, ln 83)	-
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	-

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

Net Transmission Plant (TCOS, ln 33)	-
Annual Revenue Requirement, with 0 Basis Point ROE increase	-
FCR with 0 Basis Point increase in ROE	0.00%
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Dep.	-
FCR with 0 Basis Point ROE increase, less Depreciation	0.00%
FCR less Depreciation (TCOS, ln 10)	0.00%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III.

Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for ____ TCOS, ln 19	-
Annual Depreciation and Amortization Expense (TCOS, ln 83)	-
Composite Depreciation Rate	0.00%
Depreciable Life for Composite Depreciation Rate	-
Average Life in Whole Years	-

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

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.
A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER10-925-000)

Project Description:

Table with columns: Rev Require, W Incentives, Incentive Amounts. Rows: Prior Yr Projected, Prior Yr True-Up, True-Up, Adjustment.

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

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR

TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE LIFE OF THE PROJECT.

Main project data table with columns: Investment Year, Beginning Balance, Depreciation Expense, Ending Balance, Average Balance, RTEP Rev. Req't. w/o Incentives, RTEP Rev. Req't. with Incentives **, Incentive Rev. Requirement ##. Rows 0-59.

True-up history table with columns: RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives, RTEP Rev Req't True-up w/o Incentives, RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **, RTEP Rev Req't True-up with Incentives **, True-up of Incentive with Incentives **. Rows 0-59.

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet L RESERVED
AEP _____ TRANSMISSION COMPANY
RESERVED FOR FUTURE USE

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of
 Capital
 AEP WEST VIRGINIA TRANSMISSION COMPANY

Line No	Month	Average Balance of Common Equity				Average Balance of Common Equity (f)=(b)-(c)-(d)-(e)
		Proprietary Capital (b)	Less: Preferred Stock (c)	Less Undistributed Sub Earnings (Acct 216.1) (d)	Less AOCI (Acct 219.1) (e)	
(Note A)		(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)	
1	December Prior to Rate Year	-	-	-	-	-
2	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	-	-	-	-	-

Line No	Month	Average Balance of Long Term Debt					Gross Proceeds Outstanding Long-Term Debt (g)=(b)-(f)
		Bonds (b)	Less: Reacquired Bonds (c)	Acct 223 LT Advances from Assoc. Companies (d)	Acct 224 Senior Unsecured Notes (e)	Less: Fair Value Hedges (f)	
	(a)						

(Note A)	FF1, page 257, Col. (h) - Note 1					(c)+(d)+(e) -(f)
	(FF1 112.18)	(FF1 112.19)	(FF1 112.20)	(FF1 112.21)		
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	-	-	-	-	-	-

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

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
29 Annual Interest Expense for 2017							
30 Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)				-			
31 Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 43 below.				-			
32 Amort of Debt Discount & Expense - Acct 428 (117.63.c)				-			
33 Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c)				-			
34 Less: Amort of Premium on Debt - Acct 429 (117.65.c)				-			
35 Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c)				-			

36 **Total Interest Expense (Ln 30 - 31**
 + 32 + 33 - 34 - 35) -

37 **Average Cost of Debt for 2017 (Ln**
 36/ Ln 28 (g)) #DIV/0!

CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCLUDED
FROM TCOS

38 AEP WEST VIRGINIA TRANSMISSION COMPANY may not include costs (or gains) related to interest hedging activities.

			Amortization Period	
	(Amortizati			
HEDGE AMOUNTS BY	on of	Remaining		
ISSUANCE (FROM p. 256-257 (i)	(Gain)/Loss	Unamortize	Beginning	Ending
of the FERC Form 1)	for 2017	d Balance		
39				
40				
41				
42				
<hr/>				
43	Net (Gain)/Loss Hedge			
	Amortization To Be Removed	-	-	-

Development of Cost of Preferred
Stock

44 Balance of Preferred Stock (Line 14 (c)) -

45 Dividends on Preferred Stock (Acct 437, FF1 118.29))

46 Average Cost of Preferred Stock (Ln 45 / Ln 44) #DIV/0!

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

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

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

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

PBOP	(A)	(B)
1	<u>Calculation of PBOP Expenses</u>	
2	<u>AEP System PBOP Rate</u>	
3	Total AEP System PBOP expenses	
4	Base Year relating to retired personnel	
5	Amount allocated on Labor	
6	Total AEP System Direct Labor Expense	
	AEP System PBOP expense per dollar of direct labor	
7	(PBOP Rate)	
8	Currently Approved PBOP Rate	(0.043)
9	Base PBOP TransCo labor expensed in current year	
10	Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9)	
11	Direct PBOP Expense per Actuarial Report	
12	Additional PBOP Ledger Entry (From Company Records)	
13	Medicare Credit	
14	PBOP Expenses From AEP Affiliates (From Company Records)	
15	Actual PBOP Expense	(Sum Lines 11-14)
16	PBOP Adjustment	Line 10 less Line 15

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

As part of the annual update process, AEP will provide to transmission customers and include in its informational filing an independently prepared actuarial report that includes a ten (10) year forecast of PBOP expenses. During the annual update process conducted for rate year 2018 and every four years thereafter, Worksheet O will be used to determine whether the PBOP allowance rate (\$PBOP per \$Direct O&M Labor) should be adjusted going forward for the next four years. If the annual actuarial report issued during the year of any PBOP rate review projects PBOP costs during the next four years that, when allocated to the AEP Transmission Companies based on their projected direct labor expenses over that same projected four-year period, absent a change in the PBOP Rate, will likely cause the AEP East Transmission Companies to over or under collect their cumulative PBOP expenses by more than 20% of the projected next four year's total PBOP expense, taking into account the net over or under collection of such expenses during the previous four years, the PBOP rate shall be adjusted. In order to determine whether continued use of the then approved PBOP rate is likely to result in the AEP Companies' incurrence of a cumulative allowance of PBOP costs under the formula rate will result in a cumulative over or under-recovery of actual PBOP expenses exceeding 20% over the subsequent four year period, Worksheet O will be used to determine (a) the level of cumulative over or under collections of PBOP expense during the time since the PBOP allowance rate was last set, including carrying costs based on the weighted average cost of capital each year from the formula rate actual transmission cost-of-service (b) the cumulative net present value of projected PBOP costs during the next four years as estimated by the then current actuarial report, assuming a discount rate equal to the actual transmission cost of service average cost of capital for the immediately prior calendar year and (c) the cumulative net present value of continued collections over the next four years based on the projected AEP Transmission Companies direct labor expenses and the then effective PBOP allowance rate assuming a discount rate equal to the prior year weighted average cost of capital. If the absolute value of (a)+(b)-(c) exceeds 20% of (b), then the PBOP allowance rate used in the formula rate calculation shall be changed to the value that will cause the projected result of (a)+(b)-(c) to equal zero. If the projected over or under collection during the next four years, (a)+(b)-(c), is less than 20% of (b), then the PBOP Rate will continue in effect for the next four years at the then effective rate. If it is determined through this procedure AEP Companies will over-recover or under-recover actual PBOP expenses by more than 20% over the subsequent four-year period, AEP shall make a filing under FPA Section 205 to change the PBOP Rate stated in the formula rate shown on Worksheet O. No other changes to the formula rate may be included in that filing.

AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 3/6/2019

AEP APPALACHIAN TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%
GENERAL PLANT		
Structures and Improvements	390	1.91%
Office Furniture and Equip.	391	3.17%
Stores Equipment	393	1.80%
Tools, Shop and Garage Equipment	394	2.57%
Laboratory Equipment	395	4.01%
Power Operated Equipment	396	3.90%
Communications Equipment	397	4.98%
Micellaneous Equipment	398	2.70%

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

	<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1	T-Plant (FF1 206.58.g)			
2	T-Plant (FF1 206.58.b)			
3	Average (Ln 1+ Ln 2)/2			
4	Depreciation (FF1 336.7.f)			
5	Composite Depreciation (Ln 3 / Ln 4)			

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

**AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2018**

AEP INDIANA MICHIGAN TRANSMISSION COMPANY

TRANSMISSION PLANT	PLANT ACCT.	RATES Note 1
Land Rights	350.1	1.48%
Structures & Improvements	352.0	1.55%
Station Equipment	353.0	1.86%
Towers & Fixtures	354.0	1.69%
Poles & Fixtures	355.0	2.85%
Overhead Conductor	356.0	1.97%
Underground Conduit	357.0	1.86%
Underground Conductors	358.0	1.70%
 GENERAL PLANT		
Structures and Improvements	390	2.03%
Office Furniture and Equip.	391	4.65%
Stores Equipment	393	4.10%
Tools, Shop and Garage Equipment	394	6.65%
Laboratory Equipment	395	5.41%
Power Operated Equipment	396	4.31%
Communications Equipment	397	3.82%
Micellaneous Equipment	398	3.14%

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

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
T-Plant (FF1 206.58.g)			
T-Plant (FF1 206.58.b)			
Average (Ln 1+ Ln 2)/2			
Depreciation (FF1 336.7.f)			
Composite Depreciation (Ln 3 / Ln 4)			

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

**AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2015**

AEP KENTUCKY TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	1.44%
Structures & Improvements	352.0	2.08%
Station Equipment	353.0	2.15%
Towers & Fixtures	354.0	2.61%
Poles & Fixtures	355.0	3.95%
Overhead Conductor	356.0	2.91%
Underground Conduit	357.0	2.99%
Underground Conductors	358.0	2.62%
GENERAL PLANT		
Land Rights	389.1	1.59%
Structures & Improvements	390	3.97%
Office Furniture & Equipment	391	3.20%
Transportation Equipment	392	3.52%
Stores Equipment	393	4.15%
Tools Shop & Garage Equipment	394	4.20%
Laboratory Equipment	395	5.76%
Power Operated Equipment	396	5.43%
Communication Equipment	397	5.66%
Miscellaneous Equipment	398	6.73%

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

	<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1	T-Plant (FF1 206.58.g)			
2	T-Plant (FF1 206.58.b)			
3	Average (Ln 1+ Ln 2)/2			
4	Depreciation (FF1 336.7.f)			
5	Composite Depreciation (Ln 3 / Ln 4)			

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

**AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 3/6/2019**

AEP OHIO TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	1.46%
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.75%
Station Equipment	353.0	2.13%
Towers & Fixtures	354.0	1.96%
Poles & Fixtures	355.0	3.17%
Overhead Conductor	356.0	2.14%
Underground Conduit	357.0	2.85%
Underground Conductors	358.0	3.19%
GENERAL PLANT		
Structures & Improvements	390.0	2.64%
Office Furniture & Equipment	391.0	3.67%
Stores Equipment	393.0	3.35%
Tools Shop & Garage Equipment	394.0	4.48%
Laboratory Equipment	395.0	5.06%
Power Operated Equipment	396.0	4.55%
Communication Equipment	397.0	4.82%
Miscellaneous Equipment	398.0	4.19%

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

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
T-Plant (FF1 206.58.g)			
T-Plant (FF1 206.58.b)			
Average (Ln 1+ Ln 2)/2			
Depreciation (FF1 336.7.f)			
Composite Depreciation (Ln 3 / Ln 4)			

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

**AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 3/6/2019**

AEP WEST VIRGINIA TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%
GENERAL PLANT		
Structures & Improvements	390.0	1.91%
Office Furniture & Equipment	391.0	3.17%
Stores Equipment	393.0	1.80%
Tools Shop & Garage Equipment	394.0	2.57%
Laboratory Equipment	395.0	4.01%
Power Operated Equipment	396.0	3.90%
Communication Equipment	397.0	4.98%
Miscellaneous Equipment	398.0	2.70%

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

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1 T-Plant (FF1 206.58.g)			
2 T-Plant (FF1 206.58.b)			
3 Average (Ln 1+ Ln 2)/2			
4 Depreciation (FF1 336.7.f)			
5 Composite Depreciation (Ln 3 / Ln 4)			

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

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Capital Structure @ 12-31-
Worksheet Q Page 1

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

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Capital Structure @ 12-31-____
Worksheet Q Page 2

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

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

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Average Long Term Debt							
119	Average Bonds (Ln 1 + Ln 60) / 2						
120	Less: Average Reacquired Bonds (Ln 2 + Ln 61) / 2						
	Average LT Advances from Assoc. Companies (Ln 3 + Ln 62) / 2						
121	2						
122	Average Senior Unsecured Notes (Ln 4 + Ln 63) / 2						
123	Less: Average Fair Value Hedges (See Note on Ln 125 below)						
124	Average Balance of Long Term Debt						
125	NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (p. 257, Column H of the FF1)						
Development of Long Term Debt Interest Expense							
126	Interest on Long Term Debt (256-257.33.i)						
127	Amort of Debt Discount & Expense (117.63.c)						
128	Amort of Loss on Reacquired Debt (117.64.c)						
129	Less: Amort of Premium on Debt (117.65.c)						
130	Less: Amort of Gain on Reacquired Debt (117.66.c)						
131	Less: Hedge Interest on pp 256-257(i)						
132	LTD Interest Expense						
Cost of Preferred Stock and Preferred Dividends							
133	Average Balance of Preferred Stock (Ln 35 + Ln 94) / 2						
134	Preferred Dividends (Ln 36)						
Development of Average Common Equity							
135	Average Proprietary Capital (Ln 37 + Ln 96) / 2						
136	Less: Average Preferred Stock (Ln 133 Above)						
137	Less: Average Account 216.1 (Ln 39 + Ln 98) / 2						
138	Less: Average Account 219.1 (Ln 40 + Ln 99) / 2						
139	Average Balance of Common Equity						
Calculation of Capital Shares							
140	Average Balance of Long Term Debt (Ln 124 Above)						
141	Average Balance of Preferred Stock (Ln 133 Above)						
142	Average Balance of Common Equity (Ln 139 Above)						
143	Average of Total Company Structure						
144	Average Balance of LTD Capital Shares (Ln 140 / Ln 143)						
145	Average Balance of Preferred Stock Capital Shares (Ln 141 / Ln 143)						
146	Average Balance of Common Equity Capital Shares (Ln 142 / Ln 143)						
147	Reserved						
148	Reserved						
149	Reserved						
150	Reserved						
Calculation of Capital Cost Rate							
151	LTD Capital Cost Rate (Ln 132 / Ln 124)						
152	Preferred Stock Capital Cost Rate (Ln 134 / Ln 133)						
153	Common Equity Capital Cost Rate						
	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
154	LTD Weighted Capital Cost Rate (Ln 144 * Ln 151)						
155	Preferred Stock Capital Cost Rate (Ln 145 * Ln 152)						
156	Common Equity Capital Cost Rate (Ln 146 * Ln 153)						
157	ACTUAL WEIGHTED AVG COST OF CAPITAL						

**AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet R – True-up With Interest
(Hypothetical Example)**

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019 <hr style="border: 1px solid green;"/> -	-	2018 Revenue Requirement Forecast by October 31, 2017 <hr style="border: 1px solid green;"/> -	=	True-up Adjustment - Over (Under) Recovery -
---	---	---	---	---

	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
Interest Rate on Amount of Refunds or Surcharges (Note 1)		0.2780%				

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

<u>Calculation of Interest</u>			Monthly			
January	Year 2018	-	0.2780%	12	-	-
February	Year 2018	-	0.2780%	11	-	-
March	Year 2018	-	0.2780%	10	-	-
April	Year 2018	-	0.2780%	9	-	-
May	Year 2018	-	0.2780%	8	-	-
June	Year 2018	-	0.2780%	7	-	-
July	Year 2018	-	0.2780%	6	-	-
August	Year 2018	-	0.2780%	5	-	-
September	Year 2018	-	0.2780%	4	-	-
October	Year 2018	-	0.2780%	3	-	-
November	Year 2018	-	0.2780%	2	-	-
December	Year 2018	-	0.2780%	1	-	-
					<hr style="border: 1px solid black;"/>	<hr style="border: 1px solid black;"/>
			Annual			
January through December	Year 2019	-	0.2780%	12	-	-

<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>			Monthly			
January	Year 2020	-	0.2780%	-	-	-
February	Year 2020	-	0.2780%	-	-	-
March	Year 2020	-	0.2780%	-	-	-
April	Year 2020	-	0.2780%	-	-	-
May	Year 2020	-	0.2780%	-	-	-
June	Year 2020	-	0.2780%	-	-	-
July	Year 2020	-	0.2780%	-	-	-

	2020					
	Year	-		-	-	-
August	2020		0.2780%	-	-	-
	Year	-		-	-	-
September	2020		0.2780%	-	-	-
	Year	-		-	-	-
October	2020		0.2780%	-	-	-
	Year	-		-	-	-
November	2020		0.2780%	-	-	-
	Year	-		-	-	-
December	2020		0.2780%			
				<hr/>		
				-		
True-Up Adjustment with Interest					-	
Less Over (Under) Recovery					-	
Total Interest					-	

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

ATTACHMENT B
REVISED ATTACHMENT H-20B (REDLINE TARIFF)

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet A Rate Base
 Company Name

		Gross Plant In Service				
Line No	Month (a)	Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5
1	December Prior to Rate Year					
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)	Transmission (d)	Transmissio n ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 219, ln 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, ln 28, Col. (b)	Company Records (Included in total in Column (h))	FF1, page 200, ln 21, Col. (b)
15	December Prior to Rate Year					
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) Company Records (included in total in column (d) of gross plant above)	OATT Ancillary Services (GSU) Accumulated Depreciation (c) Company Records (included in total in column (d) of accumulated depreciation above)	Excluded Plant - Plant In Service (d) Company Records	Excluded Plant - Accumulated Depreciation (e) 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 Accumulated
 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 43)</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.

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet B Supporting ADIT and ITC Balances
 AEP _____ TRANSMISSION COMPANY

<u>Line</u> <u>Number</u>	<u>(A)</u> <u>Description</u>	<u>(B)</u> <u>Source</u>	<u>(C)</u> <u>Balance @ December</u> <u>31,</u>	<u>(D)</u> <u>Balance @ December</u> <u>31,</u>	<u>(E)</u> <u>Average Balance</u> <u>for</u>
1	<u>Account 281</u>				
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	<u>Account 282</u>				
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	<u>Account 283</u>				
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	<u>Account 190</u>				
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	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)			-
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1			-
24	ITC Balances Includeable in Ratebase	Ln 22 - ln 23	-	-	-
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)			-
NOTE 1	On this worksheet, "Company Records" refers to AEP's tax forecast and accounting ledger. The PRTR will use projected ending balances and reflect proration required by IRS Letter Rule Section 1.167(l)-I(h)(6)(ii). Line item detail of actual deferred tax items will be included on Worksheets B-1 and B-2.				
NOTE 2	ADIT balances should exclude balances related to hedging activity.				

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

(DEBIT)
 CREDIT

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31- 2016	BALANC E AS OF 12-31- 2017	BALANC E AS OF 12- 31-2016	BALANC E AS OF 12- 31-2017	UTILITY (B+C+D+E)/2	GENER ATION	TRANSMI SSION	DISTRIB UTION	GENER ATION	TRANSMI SSION	DISTRIB UTION	GENER ATION	TRANSMI SSION	DISTRIB UTION
1.00 ACCOUNT 281:														
2.01														
2.02	0	0			0	0	0	0						
2.03														
2.04	0	0	0	0	0									
2.05	0	0	0	0	0									
2.06	0	0	0	0	0									
3 TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 ACCOUNT 282:														
5.01	0	0			0	0	0	0						
5.02	0	0			0	0	0	0						
5.03	0	0			0	0	0	0						
5.04	0	0			0	0	0	0						
5.05	0	0			0	0	0	0						
5.06	0	0			0	0	0	0						

5.07	0	0	0	0	0	0	0
5.08	0	0	0	0	0	0	0
5.09	0	0	0	0	0	0	0
5.10	0	0	0	0	0	0	0
5.11	0	0	0	0	0	0	0
5.12	0	0	0	0	0	0	0
5.13	0	0	0	0	0	0	0
5.14	0	0	0	0	0	0	0
5.15	0	0	0	0	0	0	0
5.16	0	0	0	0	0	0	0
5.17	0	0	0	0	0	0	0
5.18	0	0	0	0	0	0	0
5.19	0	0	0	0	0	0	0
5.20	0	0	0	0	0	0	0
5.21	0	0	0	0	0	0	0
5.22	0	0	0	0	0	0	0
5.23	0	0	0	0	0	0	0
5.24	0	0	0	0	0	0	0
5.25	0	0	0	0	0	0	0
5.26	0	0	0	0	0	0	0
5.27	0	0	0	0	0	0	0
5.28	0	0	0	0	0	0	0
5.29	0	0	0	0	0	0	0
5.30	0	0	0	0	0	0	0
5.31	0	0	0	0	0	0	0
5.32	0	0	0	0	0	0	0
5.33	0	0	0	0	0	0	0
5.34	0	0	0	0	0	0	0
5.35	0	0	0	0	0	0	0
5.36	0	0	0	0	0	0	0
5.37	0	0	0	0	0	0	0
5.38	0	0	0	0	0	0	0
5.39	0	0	0	0	0	0	0

5.40	0	0	0
5.41	0	0	0

6	TOTAL ACCOUNT 282	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

8 ACCOUNT 283:

9.01	0	0	0	0	0	0	0
9.02	0	0	0	0	0	0	0
9.03	0	0	0	0	0	0	0
9.04	0	0	0	0	0	0	0
9.05	0	0	0	0	0	0	0
9.06	0	0	0	0	0	0	0
9.07	0	0	0	0	0	0	0
9.08	0	0	0	0	0	0	0
9.09	0	0	0	0	0	0	0
9.10	0	0	0	0	0	0	0
9.11	0	0	0	0	0	0	0
9.12	0	0	0	0	0	0	0
9.13	0	0	0	0	0	0	0
9.14	0	0	0	0	0	0	0
9.15	0	0	0	0	0	0	0
9.16	0	0	0	0	0	0	0
9.17	0	0	0	0	0	0	0
9.18	0	0	0	0	0	0	0
9.19	0	0	0	0	0	0	0
9.20	0	0	0	0	0	0	0
9.21	0	0	0	0	0	0	0
9.22	0	0	0	0	0	0	0
9.23	0	0	0	0	0	0	0
9.24	0	0	0	0	0	0	0

9.25	0	0	0	0	0	0
9.26	0	0	0	0	0	0
9.27	0	0	0	0	0	0
9.28	0	0	0	0	0	0
9.29	0	0	0	0	0	0
9.30	0	0	0	0	0	0
9.31	0	0	0	0	0	0
9.32	0	0	0	0	0	0
9.33	0	0	0	0	0	0
9.34	0	0	0	0	0	0
9.35	0	0	0	0	0	0
9.36	0	0	0	0	0	0
9.37	0	0	0	0	0	0
9.38	0	0	0	0	0	0
9.39	0	0	0	0	0	0
9.40	0	0	0	0	0	0
9.41	0	0	0	0	0	0
9.42	0	0	0	0	0	0
9.43	0	0	0	0	0	0
9.44	0	0	0	0	0	0
9.45	0	0	0	0	0	0
9.46	0	0	0	0	0	0
9.47	0	0	0	0	0	0
9.48	0	0	0	0	0	0
9.49	0	0	0	0	0	0
9.50	0	0	0	0	0	0
9.51	0	0	0	0	0	0
9.52	0	0	0	0	0	0
9.53	0	0	0	0	0	0
9.54	0	0	0	0	0	0
9.55	0	0	0	0	0	0
9.56	0	0	0	0	0	0
9.57	0	0	0	0	0	0

9.58	0	0	0	0	0	0
9.59	0	0	0	0	0	0
9.60	0	0	0	0	0	0
9.61	0	0	0	0	0	0
9.62	0	0	0	0	0	0
9.63	0	0	0	0	0	0
9.64	0	0	0	0	0	0
9.65	0	0	0	0	0	0
9.66	0	0	0	0	0	0
9.67	0	0	0	0	0	0
9.68	0	0	0	0	0	0
9.69	0	0	0	0	0	0
9.70	0	0	0	0	0	0
9.71	0	0	0	0	0	0
9.72	0	0	0	0	0	0
9.73	0	0	0	0	0	0
9.74	0	0	0	0	0	0
9.75	0	0	0	0	0	0
9.76	0	0	0	0	0	0
9.77	0	0	0	0	0	0
9.78	0	0	0	0	0	0
9.79	0	0	0	0	0	0
9.80	0	0	0	0	0	0
9.81	0	0	0	0	0	0
9.82	0	0	0	0	0	0
9.83	0	0	0	0	0	0
9.84	0	0	0	0	0	0
9.85	0	0	0	0	0	0
9.86	0	0	0	0	0	0
9.87	0	0	0	0	0	0
9.88	0	0	0	0	0	0
9.89	0	0	0	0	0	0
9.90	0	0	0	0	0	0

9.91		0	0	0	0	0	0		
9.92		0	0	0	0	0	0		
9.93		0	0	0	0	0	0		
9.94				0	0	0			
9.95				0	0	0			
9.96				0	0	0			
9.97				0	0	0			
9.98				0	0	0			
9.99				0	0	0			
10		<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>
13	ACCOUNT 283 - ARO-Related Deferrals	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 INV TAX CRED.								
18	(JDITC) IN A/C 255								
18.01		0	0	0	0	0	0		
18.02		0	0	0	0	0	0		
19									
20	TOTAL ACCOUNT 255	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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

COLUMN A	PER BOOKS		NON-APPLICABLE/NON-UTILITY		AVERAGE ELECTRIC UTILITY	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2016			FUNCTIONALIZATION 12/31/2017		
	BALANCE AS OF 12-31-2016	BALANCE AS OF 12-31-2017	BALANCE AS OF 12-31-2016	BALANCE AS OF 12-31-2017	(B+C+D+E) / 2	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1 ACCOUNT 190:														
2.01	0	0			0	0	0	0						
2.02	0	0			0	0	0	0						
2.03	0	0			0	0	0	0						
2.04	0	0			0	0	0	0						
2.05	0	0			0	0	0	0						
2.06	0	0			0	0	0	0						
2.07	0	0			0	0	0	0						
2.08	0	0			0	0	0	0						
2.09	0	0			0	0	0	0						
2.10	0	0			0	0	0	0						
2.11	0	0			0	0	0	0						
2.12	0	0			0	0	0	0						
2.13	0	0			0	0	0	0						
2.14	0	0			0	0	0	0						
2.15	0	0			0	0	0	0						
2.16	0	0			0	0	0	0						
2.17	0	0			0	0	0	0						
2.18	0	0			0	0	0	0						
2.19	0	0			0	0	0	0						
2.20	0	0			0	0	0	0						

2.21	0	0	0	0	0	0
2.22	0	0	0	0	0	0
2.23	0	0	0	0	0	0
2.24	0	0	0	0	0	0
2.25	0	0	0	0	0	0
2.26	0	0	0	0	0	0
2.27	0	0	0	0	0	0
2.28	0	0	0	0	0	0
2.29	0	0	0	0	0	0
2.30	0	0	0	0	0	0
2.31	0	0	0	0	0	0
2.32	0	0	0	0	0	0
2.33	0	0	0	0	0	0
2.34	0	0	0	0	0	0
2.35	0	0	0	0	0	0
2.36	0	0	0	0	0	0
2.37	0	0	0	0	0	0
2.38	0	0	0	0	0	0
2.39	0	0	0	0	0	0
2.40	0	0	0	0	0	0
2.41	0	0	0	0	0	0
2.42	0	0	0	0	0	0
2.43	0	0	0	0	0	0
2.44	0	0	0	0	0	0
2.45	0	0	0	0	0	0
2.46	0	0	0	0	0	0
2.47	0	0	0	0	0	0
2.48	0	0	0	0	0	0
2.49	0	0	0	0	0	0
2.50	0	0	0	0	0	0
2.51	0	0	0	0	0	0
2.52	0	0	0	0	0	0
2.53	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
2.67	0	0	0	0	0	0	0
2.68	0	0	0	0	0	0	0
2.69	0	0	0	0	0	0	0
2.70	0	0	0	0	0	0	0
2.71	0	0	0	0	0	0	0
2.72	0	0	0	0	0	0	0
2.73	0	0	0	0	0	0	0
2.74	0	0	0	0	0	0	0
2.75	0	0	0	0	0	0	0
2.76	0	0	0	0	0	0	0
2.77	0	0	0	0	0	0	0
2.78	0	0	0	0	0	0	0
2.79	0	0	0	0	0	0	0
2.80			0	0	0		
2.81			0	0	0		
2.82			0	0	0		
2.83			0	0	0		
2.84			0	0	0		
2.85			0	0	0		
2.86			0	0	0		

2.87				0	0	0						
2.88				0	0	0						
2.89				0	0	0						
2.90				0	0	0	0	0	0			
2.91				0	0	0	0	0	0			
3	TOTAL ACCOUNT 190			<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			<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>

COMPANY NAME HERE
Worksheet B-3
Excess/ Deficient ADIT Worksheet
For Year Ended December 31, 20__
Debit/(Credit)

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

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 OR DEFICIENT 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.

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

(A)	(B)	(C)	(D) <u>Materials & Supplies</u>		(E)	(F)	(G)	(H)	(I)
<u>Line Number</u>		<u>Source</u>	<u>Balance @ December 31,</u>	<u>Balance @ December 31,</u>		<u>Average Balance for</u>			
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)	0	0		-			
Prepayment Balance Summary (Note 1)									
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,	0	0	0		0	0	0	
7	Totals as of December 31,								
8	Average Balance	-	-	-		-	-	-	
Prepayments Account 165 - Balance @ 12/31/									
9	<u>Acc. No.</u>	<u>Description</u>	<u>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>	<u>Explanation</u>
10				-		-		-	
11				-		-		-	
12				-		-		-	
13				-		-		-	
14				-		-		-	
15				-		-		-	
16				-		-		-	
17				-		-		-	
18				-		-		-	
19				-		-		-	
		Subtotal - Form 1, p 111.57.c	0	0	0	0	0	0	
Prepayments Account 165 - Balance @ 12/31/									
20	<u>Acc. No.</u>	<u>Description</u>	<u>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>	<u>Explanation</u>
21						0		-	
22						0		-	
23						0		-	
24								-	
25				0				-	
26				0				-	
27				0				-	
28				0				-	
29							0	-	
30				0				-	
31				0				-	
		Subtotal - Form 1, p 111.57.d		0				-	

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

Note 1:

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet D Supporting IPP Credits
 AEP _____ TRANSMISSION COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B)</u>
1	Net Funds from IPP Customers 12/31/ ____ (____ FORM 1, P269)	-
2	Interest Expense (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/ (____ FORM 1, P269)	-
8	Average Balance for Year as Indicated in Column ((ln 1 + ln 7)/2)	-
Note 1	On this worksheet Company Records refers to AEP _____ TRANSMISSION COMPANY 's general ledger.	

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet E Supporting Revenue Credits
 AEP _____ TRANSMISSION COMPANY

<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			
9	Facility Credits under PJM OATT Section 30.9			-

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

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

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

(A)	(B)	(C)	(D)	(E)	(F)	
<u>Line Number</u>	<u>Item No.</u>	<u>Description</u>	<u>Expense</u>	<u>100% Non-Transmission</u>	<u>100% Transmission Specific</u>	<u>Explanation</u>
1		Regulatory O&M Deferrals & Amortizations	-			
2			-			
3			-			
4		Total	0			
		Detail of Account 561 Per FERC Form 1				
5						
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability				
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System				
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		Total of Account 561				
		Account 928				
15					-	
16					-	
17					-	
18					-	
19					-	
20					-	
21		Total (FERC Form 1 p.323.189.b)	-	-	-	
		Account 930.1				
22				-	-	
23				-	-	
24				-	-	
25				-	-	
26				-	-	
27				-	-	
28				-	-	
29				-	-	
30				-	-	
31				-	-	
32				-	-	
33				-	-	
34				-	-	
35				-	-	
36				-	-	
37		Total (FERC Form 1 p.323.191.b)	-	-	-	
		Account 930.2				
39						
40						
41						
42						
43		Total (FERC Form 1 p.323.192.b)	-	-	-	

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

1	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
2	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
3	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
4	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
5	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
	Total Effective State Income Tax Rate		<hr style="border: 0; border-top: 1px solid black; margin: 0;"/> <hr style="border: 0; border-top: 3px double black; margin: 0;"/>

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

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet H Supporting Taxes Other than Income
 AEP _____ TRANSMISSION COMPANY

Line No.	(A) Account	(B) Total Company	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
1	Revenue Taxes	NOTE 1				
2	List Individual Taxes Here					-
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - Jurisdiction #1		-			
5	Real and Personal Property - Jurisdiction #2		-			
6	Real and Personal Property - Jurisdiction #3		-			
7	Real and Personal Property - Other Jurisdictions		-			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)			-		
10	Federal Unemployment Tax			-		
11	State Unemployment Insurance			-		
12	Line Deliberately Left Blank					
13	State Severance Taxes					-
14	Miscellaneous Taxes					
15	List Individual Taxes Here					-
16					-	-
17					-	-
18					-	-
19					-	-
20					-	-
21					-	-
22					-	-
23	Total Taxes by Allocable Basis	-	-	-	-	-

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

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

Functional Property Tax Allocation

	Lines 24-58 Column (B) Deliberately Left Blank	Transmission	Lines 24-58 Column (D) Deliberately Left Blank	General	Total
24	Functionalized Net Plant (TCOS, Lns 33 thru 36)				
25	JURISDICTION				
25	Percentage of Plant in _____ JURISDICTION				
26	Net Plant in _____ JURISDICTION (Ln 24 * Ln 25)				
27	Less: Net Value of Exempted Generation Plant				
28	Taxable Property Basis (Ln 26 - Ln 27)				
29	Relative Valuation Factor				
30	Weighted Net Plant (Ln 28 * Ln 29)				
31	General Plant Allocator (Ln 31 / (Total - General Plant))				
32	Functionalized General Plant (Ln 31 * General Plant)				
33	Weighted _____ JURISDICTION Plant (Ln 30 + 32)				
34	Functional Percentage (Ln 33/Total Ln 33)				
35	Net Plant in _____ JURISDICTION (Ln 24 - Ln 26)				
36	Less: Net Value of Exempted Generation Plant				
37	Taxable Property Basis (Ln 36 - Ln 37)				
38	Relative Valuation Factor				
39	Weighted Net Plant (Ln 37 * Ln 38)				
40	General Plant Allocator (Ln 39 / (Total - General Plant))				
41	Functionalized General Plant (Ln 41 * General Plant)				
42	Weighted _____ JURISDICTION Plant (Ln 39 + 41)				
43	Functional Percentage (Ln 42/Total Ln 42)				

AEP/Co subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet H page 2 Form 1 Source Reference of Company Amounts on WS H
 AEP _____ TRANSMISSION COMPANY

Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference			
1	Revenue Taxes						
2	Gross Receipts Tax			P.263.1 ln 7 (i) P.263.2 ln 3 (i) P.263.2 ln 4 (i)			
	(A) "Real Estate and Personal Property Tax Detail Annual Tax Expenses by Type (Note 1)"	(B) Tax Year	(C) Total Company	(D) FERC FORM 1 Tie-Back	(E) FERC FORM 1 Reference	(F) Tax Year Factor (Note 2)	(G) Transmission Function (Note 2)
3	Real Estate and Personal Property Taxes Total (Ln 4 + Ln 5 + Ln 6 + Ln 7)						
4	Real and Personal Property -						
5	Real and Personal Property -						
6	Real and Personal Property -						
7	Real and Personal Property - Other Jurisdictions						
Line No.	(A) Annual Tax Expense by Type (Note 1)		(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference			
8	Payroll Taxes						
9	Federal Insurance Contribution (FICA)			P.263 ln 6 (i)			
10	Federal Unemployment Tax			P.263 ln 9 (i)			
11	State Unemployment Insurance			P.263.1 ln 23 (i) P.263.3 ln 16 (i)			
12	Line Left Deliberately Blank						
13	State Severance Taxes						
14	Miscellaneous Taxes						
15	State Business & Occupation Tax			P.263 ln 21 (i) P.263 ln 22 (i)			
16	State Public Service Commission Fees			P.263 ln 26 (i) P.263.3 ln 20 (i)			
17	State Franchise Taxes			P.263.1 ln 18 (i) P.263.4 ln 27 (i)			
18	State Lic/Registration Fee			P.263.1 ln 15 (i) P.263.4 ln 21 (i)			
19	Misc. State and Local Tax			P.263.1 ln 12 (i)			

20	Sales & Use	[Redacted]	P.263 ln 30 (i) P.263.3 ln 21 (i)
21	Federal Excise Tax	[Redacted]	P.263 ln 13 (i) P.263 ln 14 (i)
22	Michigan Single Business Tax	[Redacted]	
23	Total Taxes by Allocable Basis	[Redacted]	

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

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

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1
Balances
Worksheet I RESERVED
AEP _____ TRANSMISSION COMPANY

RESERVED FOR FUTURE USE

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

- I. Calculate Return and Income Taxes with basis point ROE increase for Projects Qualified for Regional Billing.**
- A. Determine 'R' with hypothetical basis point increase in ROE for Identified Projects**
- ROE w/o incentives (TCOS, ln 138) 11.49%
- Project ROE Incentive Adder
- ROE with additional basis point incentive
- Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 164 through 166)

	%	Cost	Weighted cost
Long Term Debt	0.00%	0.00%	0.000%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	0.00%	11.49%	0.000%
R =			0.000%

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS			
	Rev Require	W Incentives	Incentive Amounts
PROJECTED YEAR	-	-	\$ -

- B. Determine Return using 'R' with hypothetical basis point ROE increase for Identified Projects.**
- Rate Base (TCOS, ln 58) -
- R (from A. above) 0.000%
- Return (Rate Base x R) -
- C. Determine Income Taxes using Return with hypothetical basis point ROE increase for Identified Projects.**
- Return (from B. above) -
- Effective Tax Rate (TCOS, ln 97) 0.00%
- Income Tax Calculation (Return x CIT) -
- ITC Adjustment -
- Excess Deferred Income Tax -
- Tax Affect of Permanent Differences -
- Income Taxes -

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

- A. Determine Annual Revenue Requirement less return and Income Taxes.**
- Annual Revenue Requirement (TCOS, ln 1) -
- Lease Payments (TCOS, Ln 80) -
- Return (TCOS, ln 109) -
- Income Taxes (TCOS, ln 108) -
- Annual Revenue Requirement, Less Lease Payments, Return and Taxes -
- B. Determine Annual Revenue Requirement with hypothetical basis point increase in ROE.**
- Annual Revenue Requirement, Less Lease payments, Return and Taxes -
- Return (from I.B. above) -
- Income Taxes (from I.C. above) -
- Annual Revenue Requirement, with Basis Point ROE increase -
- Depreciation & Amortization (TCOS, ln 83) -
- Annual Rev. Req, w/ Basis Point ROE increase, less Depreciation -
- C. Determine FCR with hypothetical basis point ROE increase.**
- Net Transmission Plant (TCOS, ln 33) -
- Annual Revenue Requirement, with Basis Point ROE increase -
- FCR with Basis Point increase in ROE 0.00%
- Annual Rev. Req, w/ Basis Point ROE increase, less Dep. -
- FCR with Basis Point ROE increase, less Depreciation 0.00%
- FCR less Depreciation (TCOS, ln 10) 0.00%
- Incremental FCR with Basis Point ROE increase, less Depreciation 0.00%

II

I. Calculation of Composite Depreciation Rate

- Average Transmission Plant Balance for ___ TCOS, ln 19 -
- Annual Depreciation and Amortization Expense(TCOS, ln 83) -
- Composite Depreciation Rate 0.00%
- Depreciable Life for Composite Depreciation Rate -
- Average Life in Whole Years -

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

TransCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones
 IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.
 A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [redacted] (e.g. ER10-925-000)

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

Project Description:

Details	
Investment	Current Year
Service Year (yyyy)	0 ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	FCR w/o incentives, less depreciation 0.00%
Useful life	FCR w incentives approved for these facilities, less dep. 0.00%
CIAC (Yes or No)	0 Annual Depreciation Expense -

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
 CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
 INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR

TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template	RTEP Projected Rev. Req't. From Prior Year Template	
							w/o Incentives	with Incentives **	
0	-	-	-	-	-	\$ -			
1	-	-	-	-	-	\$ -			
2	-	-	-	-	-	\$ -			
3	-	-	-	-	-	\$ -			
4	-	-	-	-	-	\$ -			
5	-	-	-	-	-	\$ -			
6	-	-	-	-	-	\$ -			
7	-	-	-	-	-	\$ -			
8	-	-	-	-	-	\$ -			
9	-	-	-	-	-	\$ -			
10	-	-	-	-	-	\$ -			
11	-	-	-	-	-	\$ -			
12	-	-	-	-	-	\$ -			
13	-	-	-	-	-	\$ -			
14	-	-	-	-	-	\$ -			
15	-	-	-	-	-	\$ -			
16	-	-	-	-	-	\$ -			
17	-	-	-	-	-	\$ -			
18	-	-	-	-	-	\$ -			
19	-	-	-	-	-	\$ -			
20	-	-	-	-	-	\$ -			
21	-	-	-	-	-	\$ -			
22	-	-	-	-	-	\$ -			
23	-	-	-	-	-	\$ -			
24	-	-	-	-	-	\$ -			
25	-	-	-	-	-	\$ -			
26	-	-	-	-	-	\$ -			
27	-	-	-	-	-	\$ -			
28	-	-	-	-	-	\$ -			
29	-	-	-	-	-	\$ -			
30	-	-	-	-	-	\$ -			
31	-	-	-	-	-	\$ -			
32	-	-	-	-	-	\$ -			
33	-	-	-	-	-	\$ -			
34	-	-	-	-	-	\$ -			
35	-	-	-	-	-	\$ -			
36	-	-	-	-	-	\$ -			
37	-	-	-	-	-	\$ -			
38	-	-	-	-	-	\$ -			
39	-	-	-	-	-	\$ -			
40	-	-	-	-	-	\$ -			
41	-	-	-	-	-	\$ -			
42	-	-	-	-	-	\$ -			
43	-	-	-	-	-	\$ -			
44	-	-	-	-	-	\$ -			
45	-	-	-	-	-	\$ -			
46	-	-	-	-	-	\$ -			
47	-	-	-	-	-	\$ -			
48	-	-	-	-	-	\$ -			
49	-	-	-	-	-	\$ -			
50	-	-	-	-	-	\$ -			
51	-	-	-	-	-	\$ -			
52	-	-	-	-	-	\$ -			
53	-	-	-	-	-	\$ -			
54	-	-	-	-	-	\$ -			
55	-	-	-	-	-	\$ -			
56	-	-	-	-	-	\$ -			
57	-	-	-	-	-	\$ -			
58	-	-	-	-	-	\$ -			
59	-	-	-	-	-	\$ -			

Project Totals

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

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

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

I.

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

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

ROE w/o incentives (TCOS, ln 138)	11.49
Project ROE Incentive Adder	0
ROE with additional 0 basis point incentive	

Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 164 through 166)

	%	Cost	Weighted cost
Long Term Debt	0.00%	0.00%	0.000%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	0.00%	0.00%	11.490%
		R =	0.000%

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

Rate Base (TCOS, ln 58)	0.000
R (fom A. above)	%

Return (Rate Base x R)

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

Return (from B. above)	-
Effective Tax Rate (TCOS, ln 97)	0.00%
Income Tax Calculation (Return x CIT)	-
ITC Adjustment	-
Excess Deferred Income Tax	-
Tax Affect of Permanent Differences	-
Income Taxes	-

Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with hypothetical 0

basis point ROE increase.

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

Annual Revenue Requirement (TCOS, ln 1)	-
Lease Payments (TCOS, Ln 80)	-
Return (TCOS, ln 109)	-
Income Taxes (TCOS, ln 108)	-
Annual Revenue Requirement, Less Lease payments, Return and Taxes	-

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

Annual Revenue Requirement, Less Lease payments, Return and Taxes	-
Return (from I.B. above)	-
Income Taxes (from I.C. above)	-
Annual Revenue Requirement, with 0 Basis Point ROE increase	-
Depreciation (TCOS, ln 83)	-
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	-

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

Net Transmission Plant (TCOS, ln 33)	-
Annual Revenue Requirement, with 0 Basis Point ROE increase	-
FCR with 0 Basis Point increase in ROE	0.00%
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Dep.	-
FCR with 0 Basis Point ROE increase, less Depreciation	0.00%
FCR less Depreciation (TCOS, ln 10)	0.00%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III.

Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for _____ TCOS, ln 19	-
Annual Depreciation and Amortization Expense (TCOS, ln 83)	-
Composite Depreciation Rate	0.00%
Depreciable Life for Composite Depreciation Rate	-
Average Life in Whole Years	-

TRUE-UP YEAR	Rev Require	W Incentives	Incentive Amounts
As Projected in Prior Year WS J			\$ -
Actual after True-up	\$ -	\$ -	\$ -
True-up of ARR For _____	-	-	-

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

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.
A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER10-925-000)

Project Description:

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

Details			
Investment Service Year (yyyy)	0	Current Year	-
Service Month (1-12)		ROE increase accepted by FERC (Basis Points)	-
Useful life		FCR w/o incentives, less depreciation	0.00%
		FCR w/incentives approved for these facilities, less dep.	0.00%
CIAC (Yes or No)	0	Annual Depreciation Expense	-

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR

TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives**	Incentive Requirement #
0	-	-	-	-	-	-	\$ -
1	-	-	-	-	-	-	\$ -
2	-	-	-	-	-	-	\$ -
3	-	-	-	-	-	-	\$ -
4	-	-	-	-	-	-	\$ -
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12	-	-	-	-	-	-	\$ -
13	-	-	-	-	-	-	\$ -
14	-	-	-	-	-	-	\$ -
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47	-	-	-	-	-	-	\$ -
48	-	-	-	-	-	-	\$ -
49	-	-	-	-	-	-	\$ -

RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't. True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives**	RTEP Rev Req't. True-up with Incentives**	True-up of Incentive with Incentives**
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57	-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
58	-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -
59	-	-	-	-	-	-	-	\$ -		\$ -		\$ -	\$ -

Project Totals

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet L RESERVED
AEP _____ TRANSMISSION COMPANY
RESERVED FOR FUTURE USE

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of
 Capital
 AEP WEST VIRGINIA TRANSMISSION COMPANY

Line No	Month	Average Balance of Common Equity				Average Balance of Common Equity (f)=(b)-(c)-(d)-(e)
		Proprietary Capital (b)	Less: Preferred Stock (c)	Less Undistributed Sub Earnings (Acct 216.1) (d)	Less AOCI (Acct 219.1) (e)	
	(a)	(b)	(c)	(d)	(e)	
	(Note A)	(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)	
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	-	-	-	-	-

Line No	Month	Average Balance of Long Term Debt				Gross Proceeds Outstanding Long-Term Debt
		Bonds	Less: Reacquired Bonds	Acct 223 LT Advances from Assoc. Companies	Acct 224 Senior Unsecured Notes	

(a)	(b)	(c)	(d)	(e)	(f)	(g)=(b)- (c)+(d)+(e) -(f)
(Note A)	(FF1 112.18)	(FF1 112.19)	(FF1 112.20)	(FF1 112.21)	FF1, page 257, Col. (h) - Note 1	
15 December Prior to Rate Year	-	-	-	-	-	-
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	-	-	-	-	-	-

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

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

(a)	(b)	(c)	(d)	(e)	(f)	(g)
29 Annual Interest Expense for 2017						
Interest on Long Term Debt - Accts			-			
30 221 - 224 (256-257.33.i)			-			
Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 43 below.			-			
31 Amort of Debt Discount & Expense - Acct 428 (117.63.c)			-			
32 Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c)			-			
33 Less: Amort of Premium on Debt - Acct 429 (117.65.c)			-			
34			-			

35 Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c) -

36 Total Interest Expense (Ln 30 - 31 + 32 + 33 - 34 - 35) -

37 Average Cost of Debt for 2017 (Ln 36/ Ln 28 (g)) #DIV/0!

CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCLUDED FROM TCOS

38 AEP WEST VIRGINIA TRANSMISSION COMPANY may not include costs (or gains) related to interest hedging activities.

	HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	(Amortizati on of (Gain)/Loss for 2017	Remaining Unamortize d Balance	Amortization Period	
				Beginning	Ending
39					
40					
41					
42					
<hr/>					
43	Net (Gain)/Loss Hedge	-	-	-	-
	Amortization To Be Removed	-	-	-	-

Development of Cost of Preferred Stock

44 Balance of Preferred Stock (Line 14 (c)) -

45 Dividends on Preferred Stock (Acct 437, FF1 118.29)) -

46 Average Cost of Preferred Stock (Ln 45 / Ln 44) #DIV/0!

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

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

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
Line	Date	Property Description	Function (T) or (G)	Basis	Proceeds	(Gain) / Loss	Functional Allocator	Functional Proceeds (Gain) / Loss	FERC Account (Gain) / Loss
			T = Transmission G = General						
1						-	0.000%		
2						-	0.000%		
3						-	0.000%		
4				Net (Gain) or Loss for ____		- <u> </u>		<u> </u>	

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

PBOP	(A)	(B)
1	<u>Calculation of PBOP Expenses</u>	
2	<u>AEP System PBOP Rate</u>	
3	Total AEP System PBOP expenses	
4	Base Year relating to retired personnel	
5	Amount allocated on Labor	
6	Total AEP System Direct Labor Expense	
	AEP System PBOP expense per dollar of direct labor	
7	(PBOP Rate)	
8	Currently Approved PBOP Rate	(0.043)
9	Base PBOP TransCo labor expensed in current year	
10	Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9)	
11	Direct PBOP Expense per Actuarial Report	
12	Additional PBOP Ledger Entry (From Company Records)	
13	Medicare Credit	
14	PBOP Expenses From AEP Affiliates (From Company Records)	
15	Actual PBOP Expense	(Sum Lines 11-14)
16	PBOP Adjustment	Line 10 less Line 15

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

As part of the annual update process, AEP will provide to transmission customers and include in its informational filing an independently prepared actuarial report that includes a ten (10) year forecast of PBOP expenses. During the annual update process conducted for rate year 2018 and every four years thereafter, Worksheet O will be used to determine whether the PBOP allowance rate (\$PBOP per \$Direct O&M Labor) should be adjusted going forward for the next four years. If the annual actuarial report issued during the year of any PBOP rate review projects PBOP costs during the next four years that, when allocated to the AEP Transmission Companies based on their projected direct labor expenses over that same projected four-year period, absent a change in the PBOP Rate, will likely cause the AEP East Transmission Companies to over or under collect their cumulative PBOP expenses by more than 20% of the projected next four year's total PBOP expense, taking into account the net over or under collection of such expenses during the previous four years, the PBOP rate shall be adjusted. In order to determine whether continued use of the then approved PBOP rate is likely to result in the AEP Companies' incurrence of a cumulative allowance of PBOP costs under the formula rate will result in a cumulative over or under-recovery of actual PBOP expenses exceeding 20% over the subsequent four year period, Worksheet O will be used to determine (a) the level of cumulative over or under collections of PBOP expense during the time since the PBOP allowance rate was last set, including carrying costs based on the weighted average cost of capital each year from the formula rate actual transmission cost-of-service (b) the cumulative net present value of projected PBOP costs during the next four years as estimated by the then current actuarial report, assuming a discount rate equal to the actual transmission cost of service average cost of capital for the immediately prior calendar year and (c) the cumulative net present value of continued collections over the next four years based on the projected AEP Transmission Companies direct labor expenses and the then effective PBOP allowance rate assuming a discount rate equal to the prior year weighted average cost of capital. If the absolute value of (a)+(b)-(c) exceeds 20% of (b), then the PBOP allowance rate used in the formula rate calculation shall be changed to the value that will cause the projected result of (a)+(b)-(c) to equal zero. If the projected over or under collection during the next four years, (a)+(b)-(c), is less than 20% of (b), then the PBOP Rate will continue in effect for the next four years at the then effective rate. If it is determined through this procedure AEP Companies will over-recover or under-recover actual PBOP expenses by more than 20% over the subsequent four-year period, AEP shall make a filing under FPA Section 205 to change the PBOP Rate stated in the formula rate shown on Worksheet O. No other changes to the formula rate may be included in that filing.

AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 3/6/2019

AEP APPALACHIAN TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%
GENERAL PLANT		
Structures and Improvements	390	1.91%
Office Furniture and Equip.	391	3.17%
Stores Equipment	393	1.80%
Tools, Shop and Garage Equipment	394	2.57%
Laboratory Equipment	395	4.01%
Power Operated Equipment	396	3.90%
Communications Equipment	397	4.98%
Micellaneous Equipment	398	2.70%

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

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1 T-Plant (FF1 206.58.g)			
2 T-Plant (FF1 206.58.b)			
3 Average (Ln 1+ Ln 2)/2			
4 Depreciation (FF1 336.7.f)			
5 Composite Depreciation (Ln 3 / Ln 4)			

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

**AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2018**

AEP INDIANA MICHIGAN TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	1.48%
Structures & Improvements	352.0	1.55%
Station Equipment	353.0	1.86%
Towers & Fixtures	354.0	1.69%
Poles & Fixtures	355.0	2.85%
Overhead Conductor	356.0	1.97%
Underground Conduit	357.0	1.86%
Underground Conductors	358.0	1.70%
GENERAL PLANT		
Structures and Improvements	390	2.03%
Office Furniture and Equip.	391	4.65%
Stores Equipment	393	4.10%
Tools, Shop and Garage Equipment	394	6.65%
Laboratory Equipment	395	5.41%
Power Operated Equipment	396	4.31%
Communications Equipment	397	3.82%
Micellaneous Equipment	398	3.14%

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

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
T-Plant (FF1 206.58.g)			
T-Plant (FF1 206.58.b)			
Average (Ln 1+ Ln 2)/2			
Depreciation (FF1 336.7.f)			
Composite Depreciation (Ln 3 / Ln 4)			

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

**AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2015**

AEP KENTUCKY TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	1.44%
Structures & Improvements	352.0	2.08%
Station Equipment	353.0	2.15%
Towers & Fixtures	354.0	2.61%
Poles & Fixtures	355.0	3.95%
Overhead Conductor	356.0	2.91%
Underground Conduit	357.0	2.99%
Underground Conductors	358.0	2.62%
GENERAL PLANT		
Land Rights	389.1	1.59%
Structures & Improvements	390	3.97%
Office Furniture & Equipment	391	3.20%
Transportation Equipment	392	3.52%
Stores Equipment	393	4.15%
Tools Shop & Garage Equipment	394	4.20%
Laboratory Equipment	395	5.76%
Power Operated Equipment	396	5.43%
Communication Equipment	397	5.66%
Miscellaneous Equipment	398	6.73%

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

	<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1	T-Plant (FF1 206.58.g)			
2	T-Plant (FF1 206.58.b)			
3	Average (Ln 1+ Ln 2)/2			
4	Depreciation (FF1 336.7.f)			
5	Composite Depreciation (Ln 3 / Ln 4)			

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

**AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 3/6/2019**

AEP OHIO TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	1.46%
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.75%
Station Equipment	353.0	2.13%
Towers & Fixtures	354.0	1.96%
Poles & Fixtures	355.0	3.17%
Overhead Conductor	356.0	2.14%
Underground Conduit	357.0	2.85%
Underground Conductors	358.0	3.19%
GENERAL PLANT		
Structures & Improvements	390.0	2.64%
Office Furniture & Equipment	391.0	3.67%
Stores Equipment	393.0	3.35%
Tools Shop & Garage Equipment	394.0	4.48%
Laboratory Equipment	395.0	5.06%
Power Operated Equipment	396.0	4.55%
Communication Equipment	397.0	4.82%
Miscellaneous Equipment	398.0	4.19%

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

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
T-Plant (FF1 206.58.g)			
T-Plant (FF1 206.58.b)			
Average (Ln 1+ Ln 2)/2			
Depreciation (FF1 336.7.f)			
Composite Depreciation (Ln 3 / Ln 4)			

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

**AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 3/6/2019**

AEP WEST VIRGINIA TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%
GENERAL PLANT		
Structures & Improvements	390.0	1.91%
Office Furniture & Equipment	391.0	3.17%
Stores Equipment	393.0	1.80%
Tools Shop & Garage Equipment	394.0	2.57%
Laboratory Equipment	395.0	4.01%
Power Operated Equipment	396.0	3.90%
Communication Equipment	397.0	4.98%
Miscellaneous Equipment	398.0	2.70%

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

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1 T-Plant (FF1 206.58.g)			
2 T-Plant (FF1 206.58.b)			
3 Average (Ln 1+ Ln 2)/2			
4 Depreciation (FF1 336.7.f)			
5 Composite Depreciation (Ln 3 / Ln 4)			

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

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Capital Structure @ 12-31-
Worksheet Q Page I

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

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Capital Structure @ 12-31-____
Worksheet Q Page 2

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

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

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Average Long Term Debt							
119	Average Bonds (Ln 1 + Ln 60) / 2						
120	Less: Average Reacquired Bonds (Ln 2 + Ln 61) / 2						
121	Average LT Advances from Assoc. Companies (Ln 3 + Ln 62) / 2						
122	Average Senior Unsecured Notes (Ln 4 + Ln 63) / 2						
123	Less: Average Fair Value Hedges (See Note on Ln 125 below)						
124	Average Balance of Long Term Debt						
125	NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (p. 257, Column H of the PFI)						
Development of Long Term Debt Interest Expense							
126	Interest on Long Term Debt (256-257.33.i)						
127	Amort of Debt Discount & Expense (117.63.c)						
128	Amort of Loss on Reacquired Debt (117.64.c)						
129	Less: Amort of Premium on Debt (117.65.c)						
130	Less: Amort of Gain on Reacquired Debt (117.66.c)						
131	Less: Hedge Interest on pp 256-257(i)						
132	LTD Interest Expense						
Cost of Preferred Stock and Preferred Dividends							
133	Average Balance of Preferred Stock (Ln 35 + Ln 94) / 2						
134	Preferred Dividends (Ln 36)						
Development of Average Common Equity							
135	Average Proprietary Capital (Ln 37 + Ln 96) / 2						
136	Less: Average Preferred Stock (Ln 133 Above)						
137	Less: Average Account 216.1 (Ln 39 + Ln 98) / 2						
138	Less: Average Account 219.1 (Ln 40 + Ln 99) / 2						
139	Average Balance of Common Equity						
Calculation of Capital Shares							
140	Average Balance of Long Term Debt (Ln 124 Above)						
141	Average Balance of Preferred Stock (Ln 133 Above)						
142	Average Balance of Common Equity (Ln 139 Above)						
143	Average of Total Company Structure						
144	Average Balance of LTD Capital Shares (Ln 140 / Ln 143)						
145	Average Balance of Preferred Stock Capital Shares (Ln 141 / Ln 143)						
146	Average Balance of Common Equity Capital Shares (Ln 142 / Ln 143)						
147	Reserved						
148	Reserved						
149	Reserved						
150	Reserved						
Calculation of Capital Cost Rate							
151	LTD Capital Cost Rate (Ln 132 / Ln 124)						
152	Preferred Stock Capital Cost Rate (Ln 134 / Ln 133)						
153	Common Equity Capital Cost Rate						
	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
154	LTD Weighted Capital Cost Rate (Ln 144 * Ln 151)						
155	Preferred Stock Capital Cost Rate (Ln 145 * Ln 152)						
156	Common Equity Capital Cost Rate (Ln 146 * Ln 153)						
157	ACTUAL WEIGHTED AVG COST OF CAPITAL						

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet R – True-up With Interest
(Hypothetical Example)

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019 <hr style="border: 1px solid green;"/> -	-	2018 Revenue Requirement Forecast by October 31, 2017 <hr style="border: 1px solid green;"/> -	=	True-up Adjustment - Over (Under) Recovery -
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	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
Interest Rate on Amount of Refunds or Surcharges (Note 1)		0.2780%				

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

<u>Calculation of Interest</u>			Monthly			
January	Year 2018	-	0.2780%	12	-	-
February	Year 2018	-	0.2780%	11	-	-
March	Year 2018	-	0.2780%	10	-	-
April	Year 2018	-	0.2780%	9	-	-
May	Year 2018	-	0.2780%	8	-	-
June	Year 2018	-	0.2780%	7	-	-
July	Year 2018	-	0.2780%	6	-	-
August	Year 2018	-	0.2780%	5	-	-
September	Year 2018	-	0.2780%	4	-	-
October	Year 2018	-	0.2780%	3	-	-
November	Year 2018	-	0.2780%	2	-	-
December	Year 2018	-	0.2780%	1	-	-
					<hr style="border: 1px solid black;"/>	<hr style="border: 1px solid black;"/>
			Annual			
January through December	Year 2019	-	0.2780%	12	-	-

<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>			Monthly			
January	Year 2020	-	0.2780%	-	-	-
February	Year 2020	-	0.2780%	-	-	-
March	Year 2020	-	0.2780%	-	-	-
April	Year 2020	-	0.2780%	-	-	-
May	Year 2020	-	0.2780%	-	-	-
June	Year 2020	-	0.2780%	-	-	-

July	Year 2020	-	0.2780%	-	-	-
August	Year 2020	-	0.2780%	-	-	-
September	Year 2020	-	0.2780%	-	-	-
October	Year 2020	-	0.2780%	-	-	-
November	Year 2020	-	0.2780%	-	-	-
December	Year 2020	-	0.2780%	-	-	-
				<hr/>		
				-		
True-Up Adjustment with Interest					-	
Less Over (Under) Recovery					-	
Total Interest					-	

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

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>
APPALACHIAN TRANSMISSION COMPANY, INC.	281-282-283	1
	190	2
INDIANA MICHIGAN TRANSMISSION COMPANY, INC.	281-282-283	3
	190	4
KENTUCKY TRANSMISSION COMPANY, INC.	281-282-283	5
	190	6
OHIO TRANSMISSION COMPANY, INC.	281-282-283	7
	190	8
WEST VIRGINIA TRANSMISSION COMPANY, INC.	281-282-283	9
	190	10

Note: The detail provided in this Attachment C-1 are required worksheets per formula template shown in Attachment H-20B 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.

AEP APPALACHIAN TRANSMISSION COMPANY
ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 190
PERIOD ENDED DECEMBER 31, 2018

COLUMNS	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
PER BOOKS	BALANCE AS OF 12/31/18	BALANCE AS OF 12/31/17	NON-APPLICABLE/NON-UTILITY	BALANCE AS OF 12/31/18	BALANCE AS OF 12/31/17	AVERAGE ELECTRIC UTILITY RATIO	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/18		FUNCTIONALIZATION 12/31/17	
ACCOUNT 190	PER BOOKS		NON-APPLICABLE/NON-UTILITY		AVERAGE ELECTRIC UTILITY RATIO	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/18		FUNCTIONALIZATION 12/31/17		
1 ACCOUNT 190:													
2													
3 NOL & TAX CREDIT CF - DEF TAX ASSET	0	2			1					0			2
4 INT EXP CAPITALIZED FOR TAX	0	0			0					0			0
5 PROV POSS REV REPOS	0	2,005			1,003					0			2,005
6 ACCRD COMPANYPWSE INCENTV PLAN	16,214	4,093			10,154					16,214			4,093
7 ACCRUED INTEREST-LONG-TERM - FN 48	(1)	(2)			(2)					(1)			(2)
8 DEF STATE INCOME TAXES	16,694	6,292			11,493					16,694			6,292
9 AMT CREDIT - DEFERRED	0	1,765			893					0			1,765
10 NOL-DEFERRED TAX ASSET RECLASS	0	0			0					0			0
11 NON-UTILITY DEFERRED FIT	0	4	0	(4)	0					0			0
12 SFAS 109 FLOW-THRU 190.3	0	0	0	(0)	0					0			0
13 SFAS 109 DEFERRED FIT	0,436	1,926	2,459	(1,976)	0					0			0
14 SFAS 133 ADIT FED - SFAS NCHAFIL 1900006	0	0	0	0	0					0			0
15 ADIT FED - PENSION OCM 1900000	0	0	0	0	0					0			0
16 ADIT FED-HDG-CF-INT RATE 1900015	0	0	0	0	0					0			0
17 DEFERRED SIT 1901502	113	16,823	0	0	8,468					113			16,823
18													
19 TOTAL ACCOUNT 190	30,681	32,658	2,459	(1,980)	32,000	0	31,969	0	0	33,020	0	0	30,878

COLUMNS	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
ACCOUNT 190	PER BOOKS		NON-APPLICABLE/NO 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	REG-CHG-EP	TRANSMISSION			TRANSMISSION			TRANSMISSION		
1 ACCOUNT 190:														
2														
3 NOL & TAX CREDIT CF - DEF TAX ASSET	0	1,652			826			826		0			1,652	
4 INT EXP CAPITALIZED FOR TAX	0	0			0			0		0			0	
5 CIAC - BOOK RECEIPTS	763,869	0			381,935			381,935		763,869			2,917,385	
6 PROV ROSS REV REVER	(107,126)	2,917,385			1,458,693			1,458,693		(107,126)			130,483	
7 ACCRD COMPAN-WIDE INCENTV PLAN	271,820	130,483			201,152			201,152		271,820			130,483	
8 ACCRUED INTEREST-LONG-TERM-FIN 48	(8)	(9)			(9)			(9)		(9)			(9)	
9 DEF'D STATE INCOME TAXES	5,057,927	5,876,683			5,467,310			5,467,310		5,057,927			5,876,683	
10 NOL-DEFERRED TAX ASSET RECLASS	0	991,000			495,500			495,500		0			991,000	
11 NON-UTILITY DEFERRED INT	0	211,490	0	(211,490)	0			0		0			0	
12 SFAS 109 FLOW-THRU 190.3	0	0	0	0	0			0		0			0	
13 SFAS 109 REVERSE-SITE 190.4	26,483,016	26,516,016	(26,483,016)	(26,516,016)	0			0		0			0	
14 SFAS 133 ADIT FED - SFAS NCHAFIL 1900006	0	0	0	0	0			0		0			0	
15 ADIT FED - PENNSON OCMAF 1900000	0	0	0	0	0			0		0			0	
16 ADIT-FED-HDG-CF-INT RATE1900015	0	0	0	0	0			0		0			0	
17														
18 TOTAL ACCOUNT 190	31,469,008	38,644,392	(26,483,016)	(26,727,508)	7,981,688	0	7,981,688	0	0	5,988,490	0	0	9,916,884	0

COLUMBIA	DEBIT (CREDIT)					COLUMBIA	COLUMBIA	COLUMBIA	COLUMBIA	COLUMBIA	COLUMBIA	COLUMBIA	COLUMBIA
	COLUMBIA	COLUMBIA	COLUMBIA	COLUMBIA	COLUMBIA								
	PER BOOKS	NON-APPLICABLE	NON-UTILITY	AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION AVERAGE
	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 (DEBIT)/ELECTRIC (CREDIT)	TRANSMISSION	TRANSMISSION	TRANSMISSION	TRANSMISSION	TRANSMISSION	TRANSMISSION	TRANSMISSION	TRANSMISSION
1 ACCOUNT 190													
2													
3 NOL & TAX CREDIT CF - DEF TAX ASSET	0	78			39								78
4 INT EXP CAPITALIZED FOR TAX	0	0			0								0
5 PROV FOSB REV REFDS	(14,853)	213,802			99,475					(14,853)			213,802
6 ACORD COMPANYWIDE INCENTY PLAN	17,244	14,138			15,991					17,243			14,138
7 DEFED STATE INCOME TAXES	276,981	292,079			284,530					276,981			292,079
8 AMT CREDIT - DEFERRED	0	593			297					0			593
9 NOL DEFERRED TAX ASSET RECLASS	0	192,242			51,121					0			192,242
10 NON-UTILITY DEFERRED FIT	1	13,989	(7)	(13,989)	0					0			0
11 SFAS 109 FLOW-THRU 100.3	0	0	0	0	0					0			0
12 SFAS 109 EXPENSE DRIFT 180.4	1,473,732	1,496,024	(1,473,732)	(1,496,024)	0					0			0
13 SFAS 133 NOT FED SFAS NONAFFL 1900006	0	0	0	0	0					0			0
14 ADIT FED - PENSION DCI NAF 1900009	0	0	0	0	0					0			0
15 ADIT FED MOD CF INT RATE 1900015	0	0	0	0	0					0			0
16 DEFERRED SIT 1901002	25,138	0			12,569					25,138			0
17													
18 TOTAL ACCOUNT 190	1,779,242	2,132,245	(1,473,733)	(1,510,013)	463,722	0	463,721	0	0	304,509	0	0	622,932

COLUMNS	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
ACCUMULATED DEFERRED FIT ITEMS	PER BOOKS	BALANCE AS OF 12/31/18	BALANCE AS OF 12/31/17	NON-APPLICABLE/NON-UTILITY	BALANCE AS OF 12/31/18	BALANCE AS OF 12/31/17	AVERAGE ELECTRIC UTILITY RATIO	FUNCTIONALIZATION AVERAGE	FUNCTIONALIZATION 12/31/18	FUNCTIONALIZATION 12/31/17	TRANSMISSION	TRANSMISSION	TRANSMISSION	TRANSMISSION
1 ACCOUNT 190:														
2														
3 NOL & TAX CREDIT C/F - DEF TAX ASSET		0	76,054				38,027					0		76,054
4 INT EXP CAPITALIZED FOR TAX		0	0				0					0		0
5 CIAC - BOOK RECEIPTS		0	0				0					0		0
6 PROV POSS REV REVERS	264,889	5,088,845					2,076,852				2,076,852	5,088,845		5,088,845
7 ACCRD COMPAN-WIDE INCENTV PLAN	341,016	215,521				278,269					341,016	215,521		215,521
8 ACCRUED INTEREST-LONG-TERM - FIN 48		(57)	(81)			(89)					(57)	(81)		(81)
9 DEF'D STATE INCOME TAXES	722,956	696,718				709,838					722,956	696,718		696,718
10 AMT CREDIT - DEFERRED		0	177,825			88,913					0	177,825		177,825
11 NOL - DEFERRED TAX ASSET RECLASS		0	157,306			78,653					0	157,306		157,306
12 NON-UTILITY DEFERRED FIT		0	404,157			(404,157)					0	0		0
13 SFAS 109 FLOW THRU 190.3		0	0			0					0	0		0
14 SFAS 109 EXCESS DEBIT 190.4		44,976,199	44,942,170			(44,976,199)					(44,942,170)	0		0
15 SFAS 133 ADIT FICD - SFAS NONAFFIL 1000009		0	0			0					0	0		0
16 ADIT FED - PENSION OCI NAF 1000009		0	0			0					0	0		0
17 ADIT FED-NOL-CF-INT RATE 19001015		0	0			0					0	0		0
18 DEFERRED SIT 1901002		732,342	0			366,171					732,342	0		0
19														
20 TOTAL ACCOUNT 190		47,037,317	51,758,535	(44,976,199)	(45,346,327)	4,236,654	0	4,236,653	0	0	2,061,118	0	0	6,412,208

AEP WEST VIRGINIA TRANSMISSION COMPANY
DEFERRED DEFERRED CREDITS
PERIOD ENDED DECEMBER 31, 2018

(DEBIT) CREDIT

ACCOUNT	COLUMNS		COLUMNS		COLUMNS		COLUMNS		COLUMNS		COLUMNS		COLUMNS	
	PER BOOKS		NONAPPLICABLE/UTILITY		AVERAGE		FUNCTIONALIZATION AVERAGE		FUNCTIONALIZATION 12/31/18		FUNCTIONALIZATION 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	DE 12/31/18	DE 12/31/17
ACCUMULATED DEFERRED FIT ITEMS														
1 ACCOUNT 281:														
2 TX AMORT POLLUTION CONT EOPT	0	0			0	0		0		0		0		0
3														
4														
5 NONUTILITY DEFERRED FIT 281.2	0	0	0	0	0	0		0		0		0		0
6 SFAS 109 FLOW-THRU 281.3	0	0	0	0	0	0		0		0		0		0
7 SFAS 109 EXCESS DRT 281.4	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
10														
11														
12 ACCOUNT 282:														
13														
14 BOOK VS TAX DEPRECIATION	95,527,963	145,083,680			120,305,822		120,305,822		95,527,963			145,083,680		
15 R & D DEDUCTION - SECTION 174	2	4			3		3		2			4		
16 GAIN/LOSSES ON AGRS/BIACRS PROPERTY	1	1			1		1		1			1		
17 ABFUDC	2,861,403	2,767,734			2,814,569		2,814,569		2,861,403			2,767,734		
18 INT EXP CAPITALIZED FOR TAX	(8,811,906)	(6,530,219)			(6,671,063)		(6,671,063)		(8,811,906)			(6,530,219)		
19 CASC BOOK RECEIPTS	(154,250)	(26,250)			(115,250)		(115,250)		(154,250)			(26,250)		
20 BOOK/TAX UNIT OF PROPERTY ADJ	5,003,795	0			2,501,892		2,501,892		5,003,795			0		
21 BOOK/TAX UNIT OF PROPERTY ADJ SEC 481 ADJ	(865)	0			(428)		(428)		(865)			0		
22 TX ACCEL AMORT - CAPITALIZED SOFTWARE	102,293	151,547			126,920		126,920		102,293			151,547		
23 CAPITALIZED SOFTWARE COST-BOOK	1,509,822	1,490,297			1,480,060		1,480,060		1,509,822			1,490,297		
24 REMOVAL CST	2,520	(2,800)			(140)		(140)		2,520			(2,800)		
25 EXCESS ADFT - PROTECTED	64,769,998	0			28,364,458		28,364,458		64,769,998			0		
26 EXCESS ADFT - UNPROTECTED	577,562	0			288,781		288,781		577,562			0		
27 NONUTILITY DEFERRED FIT	0	0			0		0		0			0		
28 SFAS 109 FLOW-THRU 282.3	8,439,768	6,284,185			(8,439,768)		(8,284,185)		0			0		
29 SFAS 109 EXCESS DRT 282.4	(57,548,477)	(57,548,998)			57,306,477		57,597,598		0			0		
30														
31 TOTAL ACCOUNT 282	138,445,482	92,620,581			47,866,711		51,273,413		150,100,583			143,893,994		
32														
33														
34 ACCOUNT 283:														
35														
36 NOL & TAX CREDIT CF - DEF TAX ASSET	0	143,149			71,575		71,575		0			143,149		
37 PROPERTY TAX-NEW METHOD-BOOK	(71,001)	471,904			200,452		200,452		(71,001)			471,904		
38 CAPITALIZED SOFTWARE COST-BOOK	0	0			0		0		0			0		
39 EXCESS ADFT - UNPROTECTED	(6,516,698)	0			(2,757,846)		(2,757,846)		(6,516,698)			0		
40 NONUTILITY DEFERRED FIT 283.2	0	0			0		0		0			0		
41 SFAS 109 FLOW-THRU 283.3	2,509,305	1,670,479			(2,509,305)		(1,670,479)		0			0		
42 SFAS 109 EXCESS DRT 283.4	660,111	4,719,961			(600,111)		(4,719,961)		0			0		
43 SFAS 133 ADJ FID - SFAS 133 NONAFFL 2830006	0	0			0		0		0			0		
44 ADIT - FED-HQD-CF-INT RATE 2830015	0	0			0		0		0			0		
45														
46														
47														
48														
49														
50 DEF STATE INCOME TAXES	33,040,289	28,885,162			30,962,726		30,962,726		33,040,289			28,885,162		
51 SFAS 109 - DEF STATE INCOME TAXES	0	0			0		0		0			0		
52														
53 TOTAL ACCOUNT 283	30,980,014	35,890,595			(3,139,416)		(6,390,380)		29,476,907			29,900,216		
54														
55 JURISDICTIONAL AMOUNTS FUNCTIONALIZED														
56														
57 TOTAL COMPANY AMOUNTS FUNCTIONALIZED														
58														
59														
60														
61														
62														
63 NOTE: POST 1970 ACCUMULATED DEFERRED														
64 INV TAX CRED. (LDT) IN AC 255	0	0			0		0		0			0		
65 DEFERRED (TC - 48P)(1)														
66														
67														
68 TOTAL ACCOUNT 255	0	0			0		0		0			0		

AEP WEST VIRGINIA TRANSMISSION COMPANY
ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 190
PERIOD ENDED DECEMBER 31, 2018

DEBIT (CREDIT)

COLUMNS	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	NON-APPLICABLE	NON-UTILITY	AVERAGE ELECTRIC UTILITY	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/18			FUNCTIONALIZATION 12/31/17		
	DE-12-31-18	DE-12-31-17	DE-12-31-18	DE-12-31-17	REG-CH-EP	GENERATION	TRANSMISSION	DISTRIBUTION						
1 ACCOUNT 190:														
2														
3 NOL & TAX CREDIT CF - DEF TAX ASSET	0	567			279					279				567
4 INT EXP CAPITALIZED FOR TAX	0	0			0					0				0
5 PROV POSS REV REPOS	0	1,742,709			871,365					871,365				1,742,709
6 ACCRD COMPANYSWEE INCENTV PLAN	156,143	85,572			120,858					120,858				85,572
7 ACCRUED INTEREST-LONG-TERM - FN 48	(3)	(5)			(4)					(4)				(4)
8 DEFD STATE INCOME TAXES	6,938,461	10,109,807			8,524,134					8,524,134				10,109,807
9 AMT CREDIT - DEFERRED	0	1,702			851					851				1,702
10 NOL-DEFERRED TAX ASSET RECLASS	0	476,721			238,361	0				238,361	0			476,721
11 DEFERRED ST 1901002	0	468,997			204,469	0		0		204,469	0			468,997
12 NON-UTILITY DEFERRED FIT	0	122,984	0	(122,984)	0					0				0
13 SFAS 109 FLOW THRU 1901.3	0	0	0	0	0					0				0
14 SFAS 109 EXCESS DEBT 190.4	13,767,171	14,045,464	(13,767,171)	(14,045,464)	0					0				0
15 SFAS 133 ADIT FED - SFAS NONAFFIL 1900009	0	0	0	0	0					0				0
16 ADIT FED - PENSION OCI NAF 1900009	0	0	0	0	0					0				0
17 ADIT-FED-HDD-CF-INT RATE 1900115	0	0	0	0	0					0				0
18														
19 TOTAL ACCOUNT 190	20,861,772	26,944,509	(13,767,171)	(14,168,448)	9,960,333	0	9,960,331	0	0	7,094,601	0	0	12,826,081	0

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)
1	190 Utility Balance	30,979	2018 FF1 P. 234 Col (b) Line 8				
2		<u>16,823</u>	Less: Deferred State Taxes				
3	1901001	14,156		4,955	35%	(4,955)	-
4	2821001	(24,138)	2018 FF1 P. 274 Col (b) Line 5	(9,655)	40%	-	(9,655)
5	283 Utility Balance	(23,866)	2018 FF1 P. 276 Col (b) Line 9				
6		<u>(17,978)</u>	Less: Accum Deferred SIT -Other				
7	2831001	(5,888)		(2,355)	40%	4,955	2,600
8	Total	<u>(15,870)</u>		<u>(7,055)</u>		<u>-</u>	<u>(7,055)</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 Transmission 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)
1	1901001	9,916,884	2018 FF1 P. 234 Col (b) Line 8	3,966,093	40%	(3,966,093)	-
2	2821001	(259,292,066)	2018 FF1 P. 274 Col (b) Line 5	(103,716,826)	40%	-	(103,716,826)
3	2831001	-	2018 FF1 P. 276 Col (b) Line 9	-	N/A	3,966,093	3,966,093
4	Total	<u>(249,375,182)</u>		<u>(99,750,733)</u>		<u>-</u>	<u>(99,750,733)</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 Transmission 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)
1	1901001	622,932	2018 FF1 P. 234 Col (b) Line 8	248,904	40%	(248,904)	-
2	2821001	(14,692,002)	2018 FF1 P. 274 Col (b) Line 5	(5,876,803)	40%		(5,876,803)
3	283 Utility Balance	(834,512)	2018 FF1 P. 276 Col (b) Line 9				
4		(834,512)	Less: Accum Deferred SIT -Other				
5	2831001	-		-	N/A	248,904	248,904
6	Total	<u>(14,069,070)</u>		<u>(5,627,899)</u>		<u>-</u>	<u>(5,627,899)</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 Transmission 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)
1	1901001	6,412,208	2018 FF1 P. 234 Col (b) Line 8	2,463,331	38%	(2,463,331)	-
2	2821001	(428,828,741)	2018 FF1 P. 274 Col (b) Line 5	(171,531,496)	40%	-	(171,531,496)
3	283 - Utility	(1,990,622)	2018 FF1 P. 276 Col (b) Line 9				
		<u>(1,990,622)</u>	Less: Accum Deferred SIT -Other				
4	2831001	-		-	N/A	2,463,331	2,463,331
5	Total	<u>(422,416,533)</u>		<u>(169,068,165)</u>		<u>-</u>	<u>(169,068,165)</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 Transmission 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)
1	190 Utility Balance	12,826,063	2018 FF1 P. 234 Col (b) Line 8				
2		<u>408,998</u>	Less: Deferred State Taxes				
3	1901001	12,417,065		4,965,922	40%	(4,965,922)	-
4	2821001	(143,893,994)	2018 FF1 P. 274 Col (b) Line 5	(57,557,598)	40%	-	(57,557,598)
5	283 Utility Balance	(29,500,215)	2018 FF1 P. 276 Col (b) Line 9				
6		<u>(28,885,162)</u>	Accrued Deferred State Tax				
7	2831001	(615,053)		(246,021)	40%	4,965,922	4,719,901
8	Total	<u>(132,091,982)</u>		<u>(52,837,697)</u>		<u>-</u>	<u>(52,837,697)</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 Transmission Companies' Workpaper B-3, Column F, showing the initial remeasurement value determined as a result of the Tax Cut and Jobs Act of 2017.