

AEP EAST Companies Transmission Formula Rate Revenue Requirement  
Actual Costs Through December 31, 2018  
Included in rates effective January 1, 2020

**AEP Zone Transmission Service Revenue Requirement**

Line No.			AEP Annual Revenue Requirement	APCo Annual Revenue Requirement	I&M Annual Revenue Requirement	KPCo Annual Revenue Requirement	KNG Annual Revenue Requirement	OPCo Annual Revenue Requirement	WPCo Annual Revenue Requirement
<b>A. Network Service</b>									
1	REVENUE REQUIREMENT (w/o incentives)	(TCOS Ln 1)	\$818,280,902	\$302,222,946	\$132,119,602	\$58,339,178	\$4,662,005	\$307,792,787	\$13,144,383
2	LESS: REVENUE CREDITS	(TCOS Ln 2)	\$22,641,496	\$5,990,685	\$2,981,188	\$264,984	\$89,676	\$10,547,611	\$2,767,351
3	CURRENT YEAR ZONE 1 AEP NETWORK SERVICE REVENUE REQUIREMENT	(TCOS Ln 3)	\$795,639,406	\$296,232,261	\$129,138,415	\$58,074,194	\$4,572,330	\$297,245,176	\$10,377,031
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:								
5	RTEP UPGRADES (W/O INCENTIVES)	(TCOS Ln 5)	\$37,957,302	\$21,491,173	\$5,501,501	\$0	\$0	\$10,841,178	\$123,449
6	OTHER ZONAL UPGRADES (W/O INCENTIVES)	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	SUBTOTAL		\$37,957,302	\$21,491,173	\$5,501,501	\$0	\$0	\$10,841,178	\$123,449
8	EXISTING ZONAL ATRR (W/O INCENTIVES)	(Ln 3- Ln 7)	\$757,682,104	\$274,741,088	\$123,636,913	\$58,074,194	\$4,572,330	\$286,403,998	\$10,253,582
9	INCENTIVE REVENUE REQUIREMENT FOR ZONAL PROJECTS	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	EXISTING ZONAL ATRR (W/ INCENTIVES)	(Ln 8 + Ln 9)	\$757,682,104	\$274,741,088	\$123,636,913	\$58,074,194	\$4,572,330	\$286,403,998	\$10,253,582
11	PRIOR YEAR TRUE-UP (including interest)	(Worksheet Q)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11a	Facility Credits under PJM OATT Section 30.9	(TCOS Ln 3)	\$0					\$0	
12	<b>EXISTING ZONAL PTRR FOR PJM OATT</b>	(Ln 10 + Ln 11)	<b>\$757,682,104</b>	<b>\$274,741,088</b>	<b>\$123,636,913</b>	<b>\$58,074,194</b>	<b>\$4,572,330</b>	<b>\$286,403,998</b>	<b>\$10,253,582</b>
<b>B. Point-to-Point Service</b>									
13	2018 AEP East Zone Network Service Peak Load (1 CP)		21,647.2	MW					
14	Annual Point-to-Point Rate in \$/MW - Year	(Ln 12 / Ln 13)	\$35,001.39						
15	Monthly Point-to-Point Rate in \$/MW - Month	(Ln 14 / 12)	\$2,916.78						
16	Weekly Point-to-Point Rate in \$/MW - Weekly	(Ln 14 / 52)	\$673.10						
17	Daily On-Peak Point-to-Point Rate in \$/MW - Day	(Ln 14 / 260)	\$134.62						
18	Daily Off-Peak Point-to-Point Rate in \$/MW - Day	(Ln 14 / 365)	\$95.89						
19	Hourly On-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 14 / 4160)	\$8.41						
20	Hourly Off-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 14 / 8760)	\$4.00						
<b>C. PJM Regional Service</b>									
21	RTEP UPGRADE ATRR W/O INCENTIVES	(Ln 7)	37,957,302	21,491,173	5,501,501	-	-	10,841,178	123,449
22	ADDITIONAL ATRR FOR FERC-APPROVED INCENTIVES ON RTEP	(Worksheet J)	-	-	-	-	-	-	-
23	TRUE-UP ADJUSTMENT INCLUDING INTEREST	(Worksheet Q)	-	-	-	-	-	-	-
24	<b>RTEP PTRR FOR PJM COLLECTION UNDER SCHEDULE 12</b>		<b>\$ 37,957,302</b>	<b>21,491,173</b>	<b>5,501,501</b>	<b>-</b>	<b>-</b>	<b>10,841,178</b>	<b>123,449</b>

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**AEP Transmission Schedule 1A Revenue Requirements**

Line No.		AEP Annual Revenue Requirement	APCo Annual Revenue Requirement	I&M Annual Revenue Requirement	KPCo Annual Revenue Requirement	KNG Annual Revenue Requirement	OPCo Annual Revenue Requirement	WPCo Annual Revenue Requirement
<b>A. Schedule 1A ARR</b>								
1	Total Load Dispatch & Scheduling (Account 561) (TCOS Line 15)	\$23,623,339	\$11,986,420	\$7,073,510	\$2,295,690	\$12,775	\$863,234	\$1,391,711
2	Less: Load Disptach - Scheduling, System Control and Dispatch Services (321.88.b)	\$15,457,339	\$7,509,381	\$5,243,563	\$1,518,251	\$0	\$77,131	\$1,109,013
3	Less: Load Disptach - Reliability, Planning & Standards Development Services (321.92.6)	\$3,782,389	\$1,855,896	\$1,343,396	\$344,695	\$0	\$0	\$238,402
4	Total 561 Internally Developed Costs (Ln 1 - Ln 2 - Ln 3)	\$4,383,611	\$2,621,143	\$486,551	\$432,744	\$12,775	\$786,103	\$44,296
5	Less: PTP Service Credit	\$395,400	\$121,613	\$61,613	\$29,974	\$1,244	\$177,375	\$3,581
6	EXISTING ZONAL ARR (Ln 4 - Ln 5)	\$3,988,211	\$2,499,530	\$424,938	\$402,770	\$11,531	\$608,728	\$40,715
7	PRIOR YEAR TRUE-UP with Interest (Worksheet Q)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	<b>Net Schedule 1A Revenue Requirement for Zone</b>	<b>\$3,988,211</b>	<b>\$2,499,530</b>	<b>\$424,938</b>	<b>\$402,770</b>	<b>\$11,531</b>	<b>\$608,728</b>	<b>\$40,715</b>
<b>B. Schedule 1A Rate Calculations</b>								
9	2018 AEP East Zone Annual MWh	132,718,311 MWh						
10	AEP Zone Rate for Schedule 1A Service. (Line 8 / Line 9)	\$0.0301						