

Transmission Service ATRR  
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AEP EAST Companies Transmission Formula Rate Revenue Requirement  
Utilizing Projected or FERC Form 1 Data  
For rates effective January 1, 2017

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 )	\$890,241,963	\$319,931,263	\$140,802,942	\$65,996,192	\$4,326,215	\$343,581,620	\$15,603,732
2	LESS: REVENUE CREDITS	(TCOS Ln 2 )	\$23,314,038	\$7,031,829	\$1,498,420	\$102,434	\$65,686	\$13,202,389	\$1,413,282
3	CURRENT YEAR ZONE 1 AEP NETWORK SERVICE REVENUE REQUIREMENT	(TCOS Ln 3 )	\$866,927,926	\$312,899,434	\$139,304,522	\$65,893,758	\$4,260,529	\$330,379,231	\$14,190,450
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:								
5	RTEP UPGRADES (W/O INCENTIVES)	(TCOS Ln 5)	\$42,321,233	\$23,376,588	\$6,594,270	\$0	\$0	\$12,195,900	\$154,474
6	OTHER ZONAL UPGRADES (W/O INCENTIVES)	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	SUBTOTAL		\$42,321,233	\$23,376,588	\$6,594,270	\$0	\$0	\$12,195,900	\$154,474
8	EXISTING ZONAL ATRR (W/O INCENTIVES)	(Ln 3- Ln 7)	\$824,606,693	\$289,522,846	\$132,710,252	\$65,893,758	\$4,260,529	\$318,183,331	\$14,035,976
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)	\$824,606,693	\$289,522,846	\$132,710,252	\$65,893,758	\$4,260,529	\$318,183,331	\$14,035,976
11	PRIOR YEAR TRUE-UP (including interest)		(\$2,744,531)	(\$2,245,713)	(\$92,517)	(\$527,432)	(\$38,397)	\$2,733,137	(\$2,573,608)
12	INTEREST ON PRIOR YEAR TRUE UP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
13a	Reduction in the 2015 Annual Transmission Revenue Requirement (inc. interest)		(\$4,500,000)	\$0	\$0	\$0	\$0	(\$4,500,000)	\$0
13	EXISTING ZONAL ATRR FOR PJM OATT	(Ln 10 + Ln 11 + Ln 12 + Ln 13a)	\$817,362,162	\$287,277,133	\$132,617,735	\$65,366,326	\$4,222,132	\$316,416,468	\$11,462,368
<b>B. Point-to-Point Service</b>									
14	2017 AEP East Zone Network Service Peak Load (1 CP)			22,475.7	MW				
15	Annual Point-to-Point Rate in \$/MW - Year	(Ln 13 / Ln 14)	\$36,366.48						
16	Monthly Point-to-Point Rate in \$/MW - Month	(Ln 15 / 12)	\$3,030.54						
17	Weekly Point-to-Point Rate in \$/MW - Weekly	(Ln 15 / 52)	\$699.36						
18	Daily On-Peak Point-to-Point Rate in \$/MW - Day	(Ln 15 / 260)	\$139.87						
19	Daily Off-Peak Point-to-Point Rate in \$/MW - Day	(Ln 15 / 365)	\$99.63						
20	Hourly On-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 15 / 4160)	\$8.74						
21	Hourly Off-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 15 / 8760)	\$4.15						
<b>C. PJM Regional Service</b>									
22	RTEP UPGRADE ATRR W/O INCENTIVES	(Ln 7)	42,321,233	23,376,588	6,594,270	-	-	12,195,900	154,474
23	ADDITIONAL ATRR FOR FERC-APPROVED INCENTIVES ON RTEP	(Worksheet J)	-	-	-	-	-	-	-
24	TRUE-UP ADJUSTMENT INCLUDING INTEREST		1,470,439	1,234,200	148,640	-	-	87,197	403
26a	ADJUSTMENT Schedule 12		-	-	-	-	-	-	-
25	RTEP ATRR FOR PJM COLLECTION UNDER SCHEDULE 12		\$ 43,791,672	24,610,788	6,742,910	-	-	12,283,097	154,877

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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)	\$32,427,739	\$13,687,208	\$8,284,417	\$2,786,464	\$48,779	\$6,213,516	\$1,407,355
2	Less: Load Disptach - Scheduling, System Control and Dispatch Services (321.88.b)	\$14,705,536	\$7,086,454	\$5,397,407	\$1,356,634	\$0	\$0	\$865,041
3	Less: Load Disptach - Reliability, Planning & Standards Development Services (321.92.6)	\$3,713,590	\$1,787,395	\$1,360,070	\$344,825	\$0	\$0	\$221,300
4	Total 561 Internally Developed Costs (Ln 1 - Ln 2 - Ln 3)	\$14,008,613	\$4,813,359	\$1,526,940	\$1,085,005	\$48,779	\$6,213,516	\$321,014
5	Less: PTP Service Credit	\$393,497	\$115,384	\$55,310	\$29,226	\$1,511	\$188,566	\$3,500
6	EXISTING ZONAL ARR (Ln 4 - Ln 5)	\$13,615,116	\$4,697,975	\$1,471,630	\$1,055,779	\$47,268	\$6,024,950	\$317,514
7	PRIOR YEAR TRUE-UP with Interest	-\$178,537	-\$50,853	-\$22,793	-\$12,275	-\$676	-\$90,312	-\$1,627
8	Net Schedule 1A Revenue Requirement for Zone	\$13,436,579	\$4,647,122	\$1,448,837	\$1,043,503	\$46,592	\$5,934,638	\$315,886
<b>B. Schedule 1A Rate Calculations</b>								
9	2017 AEP East Zone Annual MWh	134,310,000 MWh						
10	AEP Zone Rate for Schedule 1A Service.	(Line 8 / Line 9)	\$0.1000					