

AEP EAST Companies Transmission Formula Rate Revenue Requirement
Utilizing FERC Form 1 Data
For rates effective July 1, 2014

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
A. Network Service									
1	REVENUE REQUIREMENT (w/o incentives)	(TCOS Ln 1)	\$723,326,098	\$222,628,602	\$132,030,251	\$59,918,302	\$3,790,321	\$287,049,492	\$17,909,131
2	LESS: REVENUE CREDITS	(TCOS Ln 2)	\$24,982,247	\$6,073,231	\$1,276,474	\$207,513	\$95,300	\$15,756,755	\$1,572,975
3	CURRENT YEAR ZONE 1 AEP NETWORK SERVICE REVENUE REQUIREMENT	(TCOS Ln 3)	\$698,343,851	\$216,555,371	\$130,753,777	\$59,710,789	\$3,695,021	\$271,292,738	\$16,336,156
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:								
5	RTEP UPGRADES (W/O INCENTIVES)	(TCOS Ln 4)	\$19,416,613	\$2,222,035	\$4,959,187	\$0	\$0	\$12,202,156	\$33,234
6	OTHER ZONAL UPGRADES (W/O INCENTIVES)	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	SUBTOTAL		\$19,416,613	\$2,222,035	\$4,959,187	\$0	\$0	\$12,202,156	\$33,234
8	EXISTING ZONAL ATRR (W/O INCENTIVES)	(Ln 3- Ln 7)	\$678,927,238	\$214,333,336	\$125,794,590	\$59,710,789	\$3,695,021	\$259,090,581	\$16,302,922
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)	\$678,927,238	\$214,333,336	\$125,794,590	\$59,710,789	\$3,695,021	\$259,090,581	\$16,302,922
11	BILLED HISTORICAL YEAR (2013) ACTUAL ATRR	Input from 2013 True-up	\$668,289,838	\$208,123,649	\$121,253,056	\$55,552,368	\$3,309,086	\$266,473,731	\$13,577,947
12	BILLED PROJECTED (2013) ATRR FROM PRIOR YEAR	Input from Prior Year	\$651,278,081	\$213,693,643	\$118,762,230	\$51,868,445	\$3,045,024	\$251,921,742	\$11,986,998
13	PRIOR YEAR TRUE-UP	(Ln 11 - Ln 12)	\$17,011,756	-\$5,569,993	\$2,490,827	\$3,683,923	\$264,062	\$14,551,989	\$1,590,949
14	INTEREST ON PRIOR YEAR TRUE UP		\$1,181,767	-\$386,934	\$173,032	\$255,913	\$18,344	\$1,010,892	\$110,519
15	EXISTING ZONAL ATRR FOR PJM OATT	(Ln 10 + Ln 13 + Ln 14)	\$697,120,761	\$208,376,408	\$128,458,448	\$63,650,625	\$3,977,427	\$274,653,463	\$18,004,390
B. Point-to-Point Service									
16	2013 AEP East Zone Network Service Peak Load			22,846.3	MW				
17	Annual Point-to-Point Rate in \$/MW - Year	(Ln 15 / Ln 16)	\$30,513.51						
18	Monthly Point-to-Point Rate in \$/MW - Month	(Ln 17 / 12)	\$2,542.79						
19	Weekly Point-to-Point Rate in \$/MW - Weekly	(Ln 17 / 52)	\$586.80						
20	Daily On-Peak Point-to-Point Rate in \$/MW - Day	(Ln 17 / 260)	\$117.36						
21	Daily Off-Peak Point-to-Point Rate in \$/MW - Day	(Ln 17 / 365)	\$83.60						
22	Hourly On-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 17 / 4160)	\$7.34						
23	Hourly Off-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 17 / 8760)	\$3.48						
C. PJM Regional Service									
24	RTEP UPGRADE ATRR W/O INCENTIVES	(Ln 7)	19,416,613	2,222,035	4,959,187	-	-	12,202,156	33,234
25	ADDITIONAL ATRR FOR FERC-APPROVED INCENTIVES ON RTEP	(Worksheet J)	-	-	-	-	-	-	-
26	TRUE-UP ADJUSTMENT INCLUDING INTEREST		1,937,087	(143,600)	986,621	-	-	1,267,295	(173,230)
26a	ADJUSTMENT Schedule 12		-	-	-	-	-	-	-
27	RTEP ATRR FOR PJM COLLECTION UNDER SCHEDULE 12		\$ 21,353,699	2,078,435	5,945,809	-	-	13,469,451	(139,996)

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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
A. Schedule 1A ARR								
1	Total Load Dispatch & Scheduling (Account 561) (TCOS Line 14)	\$32,892,016	\$9,727,640	\$5,792,632	\$2,158,022	\$49,160	\$15,039,473	\$125,089
2	Less: Load Disptach - Scheduling, System Control and Dispatch Services (321.88.b)	\$15,308,397	\$4,669,413	\$3,174,684	\$955,673	-\$3,064	\$6,515,903	-\$4,212
3	Less: Load Disptach - Reliability, Planning & Standards Development Services (321.92.6)	\$3,602,372	\$1,097,849	\$746,285	\$225,073	\$0	\$1,533,165	\$0
4	Total 561 Internally Developed Costs (Ln 1 - Ln 2 - Ln 3)	\$13,981,247	\$3,960,378	\$1,871,663	\$977,276	\$52,224	\$6,990,405	\$129,301
5	Less: PTP Service Credit	\$428,810	\$133,262	\$55,475	\$32,576	\$1,770	\$202,242	\$3,485
6	EXISTING ZONAL ARR (Ln 4 - Ln 5)	\$13,552,437	\$3,827,116	\$1,816,188	\$944,700	\$50,454	\$6,788,163	\$125,816
7	BILLED HISTORICAL YEAR (2013) ACTUAL ARR Input from 2013 True-up	\$13,552,437	\$4,209,456	\$1,759,472	\$1,031,596	\$56,046	\$6,385,971	\$109,896
8	BILLED PROJECTED (2013) ARR FROM PRIOR YEAR Input from Prior Year	\$10,396,374	\$3,230,061	\$1,347,288	\$790,559	\$42,949	\$4,901,119	\$84,398
9	PRIOR YEAR TRUE-UP (Ln 7 - Ln 8)	\$3,156,063	\$979,396	\$412,184	\$241,037	\$13,097	\$1,484,852	\$25,498
10	INTEREST ON PRIOR YEAR TRUE UP	\$161,560	\$50,183	\$20,971	\$12,296	\$668	\$76,132	\$1,310
11	Net Schedule 1A Revenue Requirement for Zone	\$16,870,060	\$4,856,694	\$2,249,342	\$1,198,033	\$64,219	\$8,349,147	\$152,624
B. Schedule 1A Rate Calculations								
12	2013 AEP East Zone Annual MWh		133,111,623 MWh					
13	AEP Zone Rate for Schedule 1A Service. (Line 11 / Line 12)			\$0.1267				