AEP Transmission Formula Rate Template Utilizing FERC Form 1 Data For rates effective July 1, 2013

SPP Zone 1 Projected AEP Revenue Requirements

Line No.	OTT ZONE TITOJECICA AZITIK	ovondo requiremento	AEP Annual Revenue Requirement	PSO Annual Revenue Requirement	SWEPCO Revenue Requirement
A. <u>AEP N</u>	etwork Integration Transmission Service (NITS) REVENUE REQUIREMENT (w/o incentives)	(TCOS Line 1)	211,509,444	\$82,505,038	\$129,004,406
•	NEVENOL NEGOTILINI (W/O Incentives)	(1000 Line 1)	211,503,444	ψ02,303,030	ψ123,004,400
2	LESS: REVENUE CREDITS	(TCOS Line 5)	15,762,511	\$6,216,061	\$9,546,450
3	CURRENT YEAR ZONE 1 AEP NETWORK SERVICE REVENUE REQUIREMENT	(TCOS Line 6)	\$195,746,933	\$76,288,977 38.973%	\$119,457,956 61.027%
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:	(TCOS Line 7)	40 004 641	6 606 200	22 200 222
6	BASE PLAN UPGRADES (W/O INCENTIVES) REQUESTED UPGRADES (W/O INCENTIVES)	(Worksheet F)	40,094,641 -	6,696,309 -	33,398,332
7	ECONOMIC UPGRADES (W/O INCENTIVES)	(Worksheet F)	<u>-</u>		
8	SUBTOTAL		40,094,641	6,696,309	33,398,332
9	EXISTING ZONAL ATRR (W/O INCENTIVES)	(Line 3- Line 8)	155,652,292	69,592,668	86,059,624
10	INCENTIVE REVENUE REQUIREMENT FOR ZONAL PROJECTS	(TCOS Line 15)	-	-	-
11	EXISTING ZONAL ATRR FOR SPP OATT ATTACHMENT H, SEC. 1, COL. 3	(Ln 9 + Ln 10)	\$155,652,292	\$69,592,668	\$86,059,624
12	2012 Historic AEP West Zone SPP Average 12-Mo. Peak Demand	(Load WS, In 17)	8,177.33 M	W	
13	AEP Monthly NITS Rate in \$/MW - Month	(Line 11 / Line 12) / 12	\$1,586.22		
B. Point-	to-Point Service				
14	Annual Point-to-Point Rate in \$/MW - Year	(Line 11 / Line 12)	\$19,034.61		
15	Monthly Point-to-Point Rate in \$/MW - Month	(Line 14 / 12)	\$1,586.22		
16	Weekly Point-to-Point Rate in \$/MW - Weekly	(Line 14 / 52)	\$366.05		
17 18	Daily On-Peak Point-to-Point Rate in \$/MW - Day Daily Off-Peak Point-to-Point Rate in \$/MW - Day	(Line 14 / 260) (Line 14 / 365)	\$73.21 \$52.15		
19	Hourly On-Peak Point-to-Point Rate in \$/MW - Hour	(Line 14 / 4160)	\$4.58		
20	Hourly Off-Peak Point-to-Point Rate in \$/MW - Hour	(Line 14 / 8760)	\$2.17		

AEP - SPP Formula Rate Schedule 1 Rates Page: 2 of 68

PSO Annual

SWEPCO Annual

AEP Transmission Formula Rate Template Utilizing FERC Form 1 Data For rates effective July 1, 2013

SPP SCHEDULE 1 AEP Revenue Requirements

AEP Annual

	Line No.			Revenue Requirement	Revenue Requirement	Revenue Requirement
A.	Schedul	e 1 ARR For 2013 Projected Year Total Load Dispetch & School line (Account ESA) (TCOS Line 77)		\$22,200,005	¢40,000,770	¢44.200.425
	ı	Total Load Dispatch & Scheduling (Account 561) (TCOS Line 77)		\$22,209,905 \$14,567,136	\$10,929,770	\$11,280,135
	3	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)		\$14,567,136 \$2,167,974	\$7,256,250	\$7,310,886
	4	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b) Total 561 Internally Developed Costs	(Line 1 - Line 2 - Line 3)	\$5,474,795	\$1,080,410 \$2,593,110	\$1,087,564 \$2,881,685
	5	Less: PTP Service Credit (prior year Sched 1 revenue from PTP transactions)		541,200	\$255,652	\$285,548
	6	PROJECTED ZONAL ARR FOR 2013	(Line 4 - Line 5)	\$4,933,595	\$2,337,458	\$2,596,137
					47.378%	52.622%
В.	Schedul	e 1 Projected 7/1/2013 Rate Calculations				
	7	2012 Historic AEP West Zone SPP Average 12-Mo. Peak Demand	(Load WS, In 17)	8,177.33 M	W	
	8	Annual Point-to-Point Rate in \$/MW - Year	(Line 6 / Line 7)	\$603.33		
	9	Monthly Point-to-Point Rate (In 8 / 12) \$/MW - Month	(Line 8 / 12)	\$50.28		
	10	Weekly Point-to-Point Rate (In 8 / 52) \$/MW - Weekly	(Line 8 / 52)	\$11.60		
	11	Daily Off-Peak Point-to-Point Rate (In 8 / 365) \$/MW - Day	(Line 8 / 365)	\$1.65		
	12	Hourly Off-Peak Point-to-Point Rate (In 8 / 8760) \$/MW - Hour	(Line 8 / 8760)	\$0.07		

AEP - SPP Formula Rate Trued-Up NITS Rates Page: 3 of 68

AEP Transmission Formula Rate Template Calculation of True-Up Rate For Schedule 9 For Calendar Year 2012

SPP Zone 1 Trued-Up AEP Revenue Requirements (if such had been effective)

Line No.			AEP Annual Revenue Requirement	PSO Annual Revenue Requirement	SWEPCO Annual Revenue Requirement
A. Netwo	ork Service				
1	TRUE-UP YEAR 2012 REVENUE REQUIREMENT (w/o incentives)	(True-Up TCOS Line 1)	194,126,952	\$76,861,533	\$117,265,418
2	LESS: REVENUE CREDITS	(True-Up TCOS Line 5)	15,762,511	\$6,216,061	\$9,546,450
3	TRUE-UP YEAR ZONE 1 AEP NETWORK SERVICE REVENUE REQUIREMENT	(True-Up TCOS Line 6)	\$178,364,441	\$70,645,473 39.607%	\$107,718,968 60.393%
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:				
5	BASE PLAN UPGRADES (W/O INCENTIVES)	(True-Up TCOS Line 7)	30,135,289	5,596,501	24,538,788
6	REQUESTED UPGRADES (W/O INCENTIVES)	(Worksheet G)	-	-	-
7	ECONOMIC UPGRADES (W/O INCENTIVES)	(Worksheet G)			
8	SUBTOTAL		30,135,289	5,596,501	24,538,788
9	EXISTING ZONAL ATRR (W/O INCENTIVES)	(Line 3- Line 8)	148,229,152	65,048,972	83,180,180
10	INCENTIVE REVENUE REQUIREMENT FOR ZONAL PROJECTS	(True-Up TCOS Line 15)	-	-	-
11	TRUED-UP ZONAL ATRR (W/ INCENTIVES) FOR 2012	(Line 9 + Line 10)	148,229,152	65,048,972	83,180,180
12	2012 Historic AEP West Zone SPP Average 12-Mo. Peak Demand	(Load WS, In 17)	8,177.33 M	IW	
13	Monthly NITS Rate in \$/MW - Month	(Line 11 / Line 12) /12	1,510.57		

AEP Transmission Formula Rate Template Calculation of Schedule 11 Revenue Requirements For AEP Transmission Projects For Calendar Year 2012 and Projected Year 2013

AEP Schedule 11 Revenue Requirement Including True-Up of Prior Collections

PUBLIC SERVICE COMPANY OF OKLAHOMA

Note: Some project's final trued-up cost may not meet SPP's \$100,000 threshold for socialization. In that case a true-up of the pirior year ARR will be made in columns (H) through (O), but no projected ARR will be shown in columns (E) through (G) for the current year.

(A)	(B)	(C)	(D)	(E)	(F)	(G) = (E) + (F)	(H)	(1)	(J)	(K) = (I) - (J)	(L)	(M)	(N) = (L)-(M)	(O)	(P) = (H)+(K)+(N)+(O)	(Q) = (G) + (P)
				Projected A	ARR For 201	3 From WS-F	т	rue-Up ARR CY20	12 From Works	neet G (includes adju	stment f	or SPP Co	ollections)			
								Bas	e ARR			Incentive	ARR			
Sheet Name	Owner	Project Description	Year in Service	Base ARR (WS-F)	Incentive	<u>Total</u>	TRUE-UP Adjustment (WS-G)	Projected ADJUSTED ARR from Prior Update	As Billed by SPP (for Prior Yr T-Service)	COLLECTION Adjustment	True- up	<u>As</u> Billed	<u>Change</u>	Interest	<u>Total Adjustments</u> (True-Up, Billing, & Interest)	Total ADJUSTED Revenue Requirement Effective 7/1/2013
P.001	PSO	Riverside-Glenpool (81-523) Reconductor	2009	134,367	-	134,367	4,592	131,114	120,977	10,137	-	-	-	(822)	13,907	148,274
P.002	PSO	Craig Jct. to Broken Bow Dam 138 Rebuild (7.7mi)	2009	698,306	-	698,306	29,402	689,905	636,567	53,338	-	-	-	(4,616)	78,125	776,431
P.003	PSO	WFEC New 138 kV Ties: Sayre to Erick (WFEC) Line & Atoka and Tupelo station work	2009	1,845,125	-	1,845,125	68,565	1,806,525	1,666,858	139,667	-	-	-	(11,616)	196,615	2,041,741
P.004	PSO	Cache-Snyder to Altus Jct. 138 kV line (w/2 ring bus stations)	2008	2,151,638	-	2,151,638	68,662	2,107,686	1,944,736	162,950	-	-	-	(12,920)	218,692	2,370,330
P.005 P.006 P.007	PSO PSO PSO	Catoosa 138 kV Device (Cap. Bank) Pryor Junction 138/69 Upgrade Transf Elk City - Elk City 69 kV line (CT Upgrades)*	2006 2008 2007	54,854 223,064 12,334	- -	54,854 223,064 12,334	2,147 8,469 444	53,938 218,888 12,008	49,768 201,965 11,080	4,170 16,923 928	- - -	- - -	- - -	(352) (1,416) (77)	5,965 23,975 1,296 *	60,818 247,039 13,630
P.008	PSO	Weleetka & Okmulgee Wavetrap replacement 81-805*	2006	7,950	-	7,950	387	7,874	7,265	609	-	-	-	(56)	940 *	8,890
P.009 P.010 P.011	PSO PSO PSO	Tulsa Southeast Upgrade (repl switches)* Wavetrap Clinton City-Foss Tap 69kV Ckt 1 Bartlesville SE to Coffeyville T Rebuild	2007 2010 2011	10,476 14,674 231,717	- - -	10,476 14,674 231,717	501 603 17,981	10,358 13,071 62,782	9,557 12,061 57,928	801 1,011 4,854	- - -	- - -	- - -	(73) (90) (1,274)	1,230 * 1,523 21,561	11,706 16,197 253,279
P.012	PSO	Canadian River - McAlester City 138 kV Line Conversion	2012	437,538	-	437,538	(123,009)	160,762	148,333	12,429	-	-	-	6,169	(104,411)	333,127
P.013 P.014	PSO PSO	CoffeyvilleT to Dearing 138 kv Rebuild - 1.1 mi Ashdown West - Craig Junction	2010 2013	3,490 870,775	-	3,490 870,775	117 -	3,259 -	3,007	252 -	-	-	-	(21) -	348 -	3,838 870,775
		PSO Total		6,696,309	-	6,696,309	78,861	5,278,169	4,870,101	408,068	-	-	-	\$ (27,163)	459,766	\$ 7,156,075
		*<\$100K investment														
		Informational ONLY SWEPCO Total		33,398,332		33,398,332	(4,744,618)	29,109,345	26,858,834	2,250,511				(119,100)	(2,613,207)	30,785,125
		AEP TOTALS		40,094,640	-	40,094,640	(4,665,757)	34,387,514	31,728,935	2,658,579	-	-	-	(146,262)	(2,153,441)	37,941,200

AEP Transmission Formula Rate Template Calculation of Schedule 11 Revenue Requirements For AEP Transmission Projects For Calendar Year 2012 and Projected Year 2013

AEP Schedule 11 Revenue Requirement Including True-Up of Prior Collections

SOUTHWESTERN ELECTRIC POWER COMPANY

Note: Some project's final trued-up cost may not meet SPP's \$100,000 threshold for socialization. In that case a true-up of the pirior year ARR will be made in columns (H) through (O), but no projected ARR will be shown in columns (E) through (G) for the current year.

(A)	(B)	(C)	(D)	(E)	(F)	(G) = (E) + (F)	(H)	(1)	(J)	(K) = (I) - (J)	(L)	(M)	(N) = (L)-(M)	(O)	(P) = (H)+(K)+(N)+(O)	(R) = (G) + (P)
				Projected A	ARR For 2013 F	From WS-F		True-Up ARR CY2012 From Worksheet G (i			includes adju	ustment	for SPP Colle	ctions)		
															· · · · · · · · · · · · · · · · · · ·	
								В	ase ARR		In	centive	ARR			
Sheet Name	Owner	Project Description	Year in Service	Base ARR	Incentive	<u>Total</u>	TRUE-UP Adjustment (WS- G)	Projected ADJUSTED ARR from Prior Update	As Billed by SPP (for Prior Yr T-Service)	COLLECTION Adjustment	True-up	<u>As</u> Billed	<u>Change</u>	Interest	Total Adjustments (Forecast, Billing, & Interest)	Total ADJUSTED Revenue Requirement Effective 7/1/2013
	'						· ·		·	·					200.404	
S.001 S.002	SWE SWE	Arsenal Hill Auto xfmr & AH to Water Works line SW Shreveport (sub work & tap)	2009 2009	2,651,038 1,219,128	-	2,651,038 1,219,128	12,132 19,950	3,535,865 1,720,289	3,262,499 1,587,290	273,366 133,000	-	-	-	13,633 7,304	299,131 160,254	2,950,169 1,379,382
S.003	SWE	[NW Ark Area Improve - 2009] E. Centerton-Flint	2009	2,057,846	_	2,057,846	(10,487)	2,580,667	2,381,150	199,517	_	_	-	9,027	198,058	2,255,904
S.004	SWE	Crk, E Rogers-N Rogers, Centerton Rebuild N. Magazine - Danville 161 kV Line	2009	1,727,940	_	1,727,940	(4,577)	2,249,869	2,075,927	173,943	_	_	_	8,088	177,453	1,905,393
S.005	SWE	[Greenwood, AR Area Improve] N Huntington,	2009	447,281	_	447,281	2,001	595,920	549,848	46,072	_	_	_	2,296	50,368	497,650
S.006		Greenwood, Reeves, Bonanza Port Robson-Caplis Line (SW 138 kV Loop 2009)	2009	5,356,070	_	5,356,070	(428,559)	1,838,947	1,696,774	142,173	_	_	_	(13,676)		5,056,009
S.007		Linwood 138 Station Switch Replacement*	2009	11,504	-	11,504	77	15,096	13,929	1,167	-	-	-	59	1,304 *	12,807
S.008	SWE	Dyess to S. Fayetteville 69 kV Convert to 161 kV (multi-projects)	2008	1,404,807	-	1,404,807	17,703	2,145,958	1,980,049	165,909	-	-	-	8,768	192,380	1,597,187
S.009	SWE	Northwest Texarkana-Bann-Alumax Tap 138kV	2008	415,433	_	415,433	(2,070)	600,460	554,037	46,423	_	_	_	2,118	46,471	461,904
S.010	SWE	reconductor Tontitown - Elm Springs REC 161 kV line***	2008	- 10,400	_	-	(2,070)	000,400	334,037	40,423	_	_	_	2,110	40,471	401,304
S.010		1 3	2008	-	-	-	-	_	_	-	-	-	-	-	-	-
S.012	SWE	Knox Lee - Oak Hill #2 138 kV line, S. Shreveport	2007	27,146	-	27,146	(290)	38,390	35,422	2,968	_	_	_	128	2,806	29,952
S.013		(SWE Minor Proj II) Carthage REC - Carthage T 138 kV	2006	521,930	_	521,930	15,092	755,669	697,246	58,422	_	_	_	3,511	77,025	598,955
S.014	SWE	o o	2007	11,859	-	11,859	53	17,477	16,126	1,351	-	-	-	67	1,471 *	13,329
S.015		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	2007	52,538	-	52,538 57,553	(155)	76,335	70,434	5,902	-	-	-	274	6,021	58,559
S.016 S.017		Daingerfield - Jenkins REC 69 kV CB Repl** Linwood-McWillie 138 kV Rebuild	2008 2008	57,557 285,159	-	57,557 285,159	1,059 (988)	86,242 369,518	79,574 340,949	6,668 28,568	-	-	-	369 1,317	8,095 28,898	65,652 314,056
S.018		Port Robson (SW 138 kV Loop 2008)	2009	-	-	-	`- ′	-	-	-	-	-	-	-	-	-
S.019		Wallace Lake-Prt Robson-Red Point 138 kV Loop [NW Ark Area Improve - 2008] Elm Springs, East	2008	655,325	-	655,325	(2,970)	844,579	779,283	65,296	-	-	-	2,976	65,302	720,627
S.020	SWE	Rogers, Shipe Road Stations	2008	-	-	-	-	(3,790)	(3,497)	(293)	-	-	-	(14)	, ,	(307)
S.021 S.022		Reconductor 4 mi. of McNabb-Turk Longwood: r&r switches, upgrade bus	2010 2010	247,636 31,270	-	247,636 31,270	2,248 86	262,180 30,675	241,910 28,304	20,270 2,372	-	-	-	1,075 117	23,593 2,575	271,229 33,845
S.023	SWE	Reconductor: Greggton-Lake Lamond & Quitman-	2010	728,178	-	728,178	2,526	826,729	762,812	63,916	_	_	_	3,173	69,615	797,793
0.023	OVVL	Westwood 69 kV lines Rebuild/reconductor Dyess-Elm Springs REC [Dyess		720,170	_	720,170	2,320	020,729	702,012	03,310	_	_	_	3,173	03,013	131,133
S.024	SWE	Station-Flint Creek]	2010	797,043	-	797,043	3,107	895,985	826,715	69,271	-	-	-	3,456	75,834	872,877
S.025		Replace switch at Diana*	2010	13,656	-	13,656	31	15,381	14,192	1,189	-	-	-	58	1,278 *	14,935
S.026 S.027		Whitney repl CB and Switches Linwood - Powell Street 138 kV	2011 2012	39,148 68,252	-	39,148 68,252	(381) (35,134)	79,859 71,516	73,685 65,987	6,174 5,529	-	-	-	277 (1,414)	6,070 * (31,019) *	45,217 37,233
S.028		Bloomburg-Texarkana Plant	2012	835,578	-	835,578	(478,743)	924,422	852,952	71,469	-	-	-	(19,448)		408,856
S.029	SWE	Knox Lee - Pirkey 138 kV / Pirkey - Whitney 138 kV - Replace Breaker, Wavetraps, and reset relays and	2012	302,755	-	302,755	(87,516)	226,337	208,839	17,499	-	-	-	(3,343)	(73,360) *	229,395
S.030	SWE	CT's NW Texarkana - Turk 345	2012	7,516,780	-	7,516,780	(3,557,210)	7,374,864	6,804,696	570,168	_	_	_	(142,638)	(3,129,681) *	4,387,100
S.031	SWE	Lone Star South - Pittsburg 138 kV - Replace	2012	36,554	_	36,554	(25,608)	45,131	41,641	3,489	_	_	_	(1,056)		13,379
S.032		Wavetraps, reset CT's and Relays Howell-Kilgore 69 kV rebuild	2012	668,051	_	668,051	(277,440)	633,178	584,225	48,952	_	_		(10,911)	,	428,653
S.033		Flint Creek-Shipe Road 345 kV Line	2012	1,998,597	-	1,998,597	91,444	255,597	235,836	19,761	-	-	-	5,310	116,515 *	2,115,113
S.034	SWE	Bann - LS Ordnance - Hooks 69 kV - Rebuild 7.1 mi	2013	1,228,498	-	1,228,498	-	-	-	-	-	-	-	-	- *	1,228,498
S.035	SWE	Diana - Replace North Autotransformer #3	2013	570,105	-	570,105	-	_	_	-	-	-	-	-	- *	570,105
S.036	SWE	Osburn 161 kV Line Work	2013	259,908	-	259,908	-	-	-	-	-	-	-	-	- *	259,908
S.037	SWE	SW Shreveport to Spring Ridge REC 138 kV Line Rebuild	2013	688,813	-	688,813	-	-	-	-	-	-	-	-	- *	688,813
S.038	SWE	Eastex Switching Station - Whitney 138 kV Station - Rebuild 2.5 miles of 138 Kv	2013	464,947	-	464,947	-	-	-	-	-	-	-	-	_ *	464,947
		SWEPCO Total		33,398,332	-	33,398,332	(4,744,618)	29,109,345	26,858,834	2,250,511	-	-	-	(119,100)	(2,613,207)	\$ 30,785,125
		*<\$100K investment, **Al xfer, ***Non-BPU (to be remo	oved from list	t in future).												
		Informational ONLY PSO Total		6,696,309	_	6,696,309	78,861	5,278,169	4,870,101	408,068	_	_	_	(27,163)	459,766	7,156,075
		AED TOTAL S		40,004,640		40.004.640	(4 665 757)	3/1 387 51/	21 729 025	2 658 570				(146.262)		37 041 200

(4,665,757) 34,387,514

31,728,935

2,658,579

(146,262)

(2,153,441)

37,941,200

AEP TOTALS

40,094,640

40,094,640

AEP West (SPP Zone-1) Network Load for January Through December, 2012 Based on West Zone-SPP Monthly Transmission System Firm Peak Demands [1] for the Twelve Months Ended December 31, 2012

Historical Combined Load Worksheet (SPP Zone - 1)

Line No.	Peak D Peak Ho SPP Load Responsibility	•	2/13/2012 1100	3/31/2012 1800	4/26/2012 1700	5/29/2012 1700	6/26/2012 1700	7/30/2012 1600	8/2/2012 1700	9/4/2012 1700	10/24/2012 1700	11/28/2012 800	12/12/2012 800	12 Month Average MW	LRS
1	PSO (2)	2,565.00	2,525.00	2,459.00	2,807.00	3,576.00	4,120.00	4,290.00	4,427.00	4,128.00	2,607.00	2,268.00	2,482.00	3,187.83	39.0%
2	SWEPCO (2)	2,832.50	2,679.50	2,439.00	2,732.50	3,389.50	3,887.50	3,935.50	3,842.50	3,756.50	2,589.50	2,266.00	2,829.50	3,109.17	38.0%
3			2,679.50 576.00	•		•	•			•	•	*	605.00	*	8.0%
3	AECC (3)	653.00		479.00	476.00	711.00	868.00	837.00	841.00	818.00	456.00	548.00		655.67	
4	WFEC (3)	35.00	33.00	29.00	28.00	32.00	35.00	36.00	36.00	34.00	26.00	33.00	33.00	32.50	0.4%
5	OMPA (3)	80.00	85.00	81.00	103.00	136.00	164.00	169.00	177.00	161.00	88.00	71.00	80.00	116.25	1.4%
6	OG&E (3)	18.00	15.00	22.00	9.00	20.00	24.00	19.00	23.00	24.00	22.00	21.00	23.00	20.00	0.24%
7	NTEC (3)	693.00	585.00	423.00	413.00	590.00	696.00	701.00	684.00	662.00	387.00	553.00	701.00	590.67	7.2%
8	ETEC (3)	89.00	70.00	54.00	45.00	76.00	92.00	90.00	89.00	85.00	53.00	68.00	87.00	74.83	0.9%
9	TEXLA (3)	105.00	85.00	68.00	71.00	96.00	117.00	113.00	111.00	109.00	71.00	83.00	101.00	94.17	1.2%
10	Greenbelt (3)	4.00	3.00	4.00	6.00	7.00	11.00	13.00	13.00	11.00	5.00	7.00	6.00	7.50	0.09%
11	Lighthouse (3)	1.00	1.00	2.00	1.00	3.00	3.00	3.00	4.00	2.00	2.00	1.00	1.00	2.00	0.02%
12	Bentonville, AR (3)	91.00	84.00	82.00	94.00	124.00	147.00	147.00	155.00	147.00	92.00	85.00	89.00	111.42	1.4%
13	Prescott, AR (Entergy) (3)	10.00	9.00	10.00	11.00	15.00	13.00	15.00	15.00	15.00	13.00	9.00	11.00	12.17	0.15%
14	Minden, LA (Entergy) (3)	23.00	23.00	22.00	26.00	36.00	42.00	42.00	63.00	40.00	24.00	19.00	22.00	31.83	0.4%
15	Hope, AR (3)	42.00	40.00	37.00	42.00	54.00	56.00	61.00	59.00	54.00	42.00	38.00	43.00	47.33	0.6%
16	Coffeyville, KS (3)	93.00	93.00	85.00	94.00	105.00	62.00	62.00	61.00	74.00	91.00	93.00	95.00	84.00	1.0%
17 2	Zone 1 - System Firm Peak Demands	7,334.50	6,906.50	6,234.50	6,958.50	8,970.50	10,337.50	10,533.50	10,600.50	10,120.50	6,568.50	6,354.50	7,208.50	8,177.33	
	Supporting Data														
18 ī	PSO: PSO Native Load (2)	2,522.00	2,488.00	2,428.00	2,775.00	3,532.00	4,070.00	4,235.00	4,373.00	4,077.00	2,584.00	2,236.00	2,446.00		
19	KAMO	33.00	29.00	26.00	28.00	38.00	43.00	47.00	49.00	45.00	23.00	28.00	29.00		
20	GRDA load on PSO	15.00	12.00	8.00	8.00	10.00	12.00	13.00	14.00	12.00	5.00	9.00	10.00		
21	Allen Holdenville	-5.00	-4.00	-3.00	-4.00	-4.00	-5.00	-5.00	-9.00	-6.00	-5.00	-5.00	-3.00		
22	PSO Load Responsibility	2565.00	2525.00	2459.00	2807.00	3576.00	4120.00	4290.00	4427.00	4128.00	2607.00	2268.00	2482.00		
23 9	SWEPCO: SWEPCO Native Load (2) (5)	2,955.00	2,757.00	2,436.00	2,806.00	3,495.00	4,018.00	4,062.00	3,967.00	3,872.00	2,664.00	2,558.00	2,940.00		
24	Lafayette	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00		
25	Dolet Hills Aux. Load (4)	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
26	VEMCO (on Entergy/CLECO)	-138.00	-93.00	-75.00	-89.00	-121.00	-146.00	-142.00	-140.00	-131.00	-90.00	-116.00	-126.00		
27	VEMCO (SPA Hydro Replacement) (6)	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50		
28	SWEPCO Load Responsibility	2832.50	2679.50	2377.50	2732.50	3389.50	3887.50	3935.50	3842.50	3756.50	2589.50	2457.50	2829.50		

Note

- (1) MW, at the time of the AEP-SPP Internal (MLR) Peak
- (2) At the generator, includes transmission losses.
- (3) At the generator. Transmission losses added to metered values which include appropriate dist.& xfmr losses.
- (4) Not self-generated
- (5) VEMCO and its resources purchased by SWEPCO Oct. 1, 2010. VEMCO load included in SWEPCO Native starting Oct 1, 2010.
- (6) SPP export from SWEPCO's SPP fleet to VEMCO (CLECO) commenced May 2011 Replacement of terminated SPA Hydro resource.

PUBLIC SERVICE COMPANY OF OKLAHOMA

Line No. 1	REVENUE REQUIREMENT (w/o incentives)	(ln 120)	Total	Allo	ocator	т	ransmission Amount \$82,505,038
2	REVENUE CREDITS	(Note A)		-			
3	Transmission Credits	(Worksheet H)	5,748,164	DA	1.00000	\$	5,748,164
4	Assoc. Business Development	(Worksheet H)	467,897	DA	1.00000	\$	467,897
5	Total Revenue Credits		6,216,061			\$	6,216,061
6	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 5)					\$76,288,977
MEN	MO: The Carrying Charge Calculations on lines 9 to 14 below is used in calculations requirements for these projects sho	ng project revenue requirements billed on SPP Schedule wn on line 7 is included in the total on line 6.	e 11. The total non-incentive	e revenue			
7			6,696,309	DA	1.00000	\$	6,696,309
	Revenue Requirement for SPP BPU Regional Facilities (w/o incentives) (Workshee	rt F)	, ,				, ,
8	NET PLANT CARRYING CHARGE (w/o incentives) (Note B)						
9	Annual Rate	(In 1/ (Sum of Ins 46, 47, 48, 49, 51)) x 100%					16.85%
10	Monthly Rate	(ln 9 / 12)					1.40%
11	NET PLANT CARRYING CHARGE ON LINE 9, W/O DEPRECIATION (w/o incentiv	ves) (Note B)					
12	Annual Rate	((In 1 - In 95) / (Sum of Ins 46, 47, 48, 49, 51)) x 100%					14.28%
12	Allitual Nate	((III 1 - III 95) / (Sulli Ol IIIS 40, 41, 40, 49, 51)) x 100/6					14.2070
13	NET PLANT CARRYING CHARGE ON LINE 11, W/O INCOME TAXES, RETURN	(Note B)					
14	Annual Rate	((In 1 - In 95 - In 117 - In 118) / (Sum of Ins 46, 47, 48, 49,	51)) x 100%				4.96%
15	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note C)	(Worksheet F)					-

PUBLIC SERVICE COMPANY OF OKLAHOMA

(1) (2) (3)

		()	()		. ,	· ,
Line	RATE BASE CALCULATION	Data Sources (See "General Notes")	<u>TO Total</u> NOTE D	Allc	ocator_	Total <u>Transmission</u>
No.	GROSS PLANT IN SERVICE		NOTE B			
16	Production	(Worksheet A In 1.C)	1,342,905,530	NA	0.00000	_
17	Less: Production ARO (Enter Negative)	(Worksheet A In 1.C)	(13,330,557)	NA NA	0.00000	_
17	Less. I Toddellott AIXO (Effet Negative)	(Worksheet A In 2.0)	,	INA	0.00000	_
18	Transmission	Hist. Template Ln 169)	706,917,109	DA		653,119,318
19	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.C)	_	TP	0.92905	_
20	Plus: Transmission Plant-in-Service Additions (Worksheet B)	(Worksheet Alli 4.0)	51,380,989	DA	1.00000	51,380,989
21	Plus: Additional Trans Plant on Transferred Assets (Worksheet B)		31,300,909	TP	0.92905	31,300,903
22	Distribution	(Worksheet A In 5.C)	1 950 275 106	NA	0.92903	_
		(Worksheet A In 5.C)	1,859,375,106	NA NA	0.00000	-
23	Less: Distribution ARO (Enter Negative)	,	146.062.040			- 44 007 202
24	General Plant	(Worksheet A In 7.C)	146,062,810	W/S	0.07536	11,007,202
25 26	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	(558,274)	W/S	0.07536	(42,071)
26	Intangible Plant	(Worksheet A In 9.C)	40,204,612	W/S	0.07536	3,029,794
27	TOTAL GROSS PLANT	(sum Ins 16 to 26)	4,132,957,325			718,495,234
28	ACCUMULATED DEPRECIATION AND AMORTIZATION					
29	Production	(Worksheet A In 12.C)	717,461,660	NA	0.00000	-
30	Less: Production ARO (Enter Negative)	(Worksheet A In 13.C)	(2,553,598)	NA	0.00000	-
		(Worksheet A In 14.C &		TD4		
31	Transmission	28.C)	218,642,096	TP1=	0.92277	201,756,855
32	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	-	TP1=	0.92277	
33	Plus: Transmission Plant-in-Service Additions (Worksheet B)	(615,982	DA	1.00000	615,982
34	Plus: Additional Projected Deprec on Transferred Assets (Worksheet B)		-	DA	1.00000	-
35	Plus: Additional Transmission Depreciation for 2013 (In 95)		13,543,408	TP1	0.92277	12,497,481
36	Plus: Additional General & Intangible Depreciation for (In 97+In 98)		11,622,970	W/S	0.07536	875,900
37	Plus: Additional Accum Deprec on Transferred Assets (Worksheet B)		11,022,070	DA	1.00000	-
38	Distribution	(Worksheet A In 16.C)	506,296,982	NA NA	0.00000	_
39	Less: Distribution ARO (Enter Negative)	(Worksheet A In 16.C)	300,230,302	NA NA	0.00000	_
	General Plant	(Worksheet A In 17.C)	- 80,042,574	W/S	0.07536	6,031,958
40 41	Less: General Plant ARO (Enter Negative)	,	, ,	W/S	0.07536	
41	· • • • • • • • • • • • • • • • • • • •	(Worksheet A In 19.C)	(320,337)	W/S		(24,140)
42	Intangible Plant	(Worksheet A In 20.C)	26,711,833	VV/S	0.07536	2,012,987
43	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 29 to 42)	1,572,063,570			223,767,022
44	NET PLANT IN SERVICE					
45	Production	(In 16 + In 17 - In 29 - In 30)	614,666,911			_
46	Transmission	(ln 18 + ln 19 - ln 31 - ln 32)	488,275,013			451,362,464
47	Plus: Transmission Plant-in-Service Additions (In 20 - In 33)	(11.10.1 11.10.11.01.11.02)	50,765,007			50,765,007
48	Plus: Additional Trans Plant on Transferred Assets (In 21 - In 34)		-			-
49	Plus: Additional Transmission Depreciation for 2013 (-In 35)		(13,543,408)			(12,497,481)
50	Plus: Additional General & Intangible Depreciation for 2013 (-In 36)		(11,622,970)			(875,900)
51	Plus: Additional Accum Deprec on Transferred Assets (Worksheet B) (-In 37)		(11,022,070)			(070,000)
52	Distribution	(In 22 + In 23 - In 38 - In 39)	1,353,078,124			_
53		,				4 057 242
	General Plant	(ln 24 + ln 25 - ln 40 - ln 41)	65,782,299			4,957,313
54	Intangible Plant	(In 26 - In 42)	13,492,779			1,016,807
55	TOTAL NET PLANT IN SERVICE	(sum Ins 45 to 54)	2,560,893,755			494,728,211
56	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note E)				
57	Account No. 281.1 (enter negative)	272-273.8.k	-	NA		-
58	Account No. 282.1 (enter negative)	(Worksheet C, In 1.C & In 3.J)	(656,976,392)	DA		(115,833,858)
59	Account No. 283.1 (enter negative)	(Worksheet C, In 10.C & In 12.J)	(159,831,378)	DA		(3,984,988)
60	Account No. 190.1	(Worksheet C, In 19.C & In 21.J)	88,494,193	DA		7,445,698
61	Account No. 255 (enter negative)	(Worksheet C, In 28.C & In 30.J)	(182,874)	DA		(29,886)
62	TOTAL ADJUSTMENTS	(sum Ins 57 to 61)	(728,496,451)			(112,403,035)
63	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	181,474	DA		-
		(1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				
64	WORKING CAPITAL	(Note F)				
65	Cash Working Capital	(1/8 * In 80) (Note G)	1,528,687			1,420,234
66	Transmission Materials & Supplies	(Worksheet D, In 2.(D))	419,745	TP	0.92905	389,966
67	A&G Materials & Supplies	(Worksheet D, In 3.(D))	324,917	W/S	0.07536	24,486
68	Stores Expense	(Worksheet D, In 4.(D))	-	GP(h)	0.16343	-
69	Prepayments (Account 165) - Labor Allocated	(Worksheet D, In 5.G)	111,415,611	W/S	0.07536	8,396,211
70	Prepayments (Account 165) - Gross Plant	(Worksheet D, In 5.F)	2,904,855	GP(h)	0.16343	474,729
71	Prepayments (Account 165) - Transmission Only	(Worksheet D, In 5.E)	-	DA	1.00000	-
72	Prepayments (Account 165) - Unallocable	(Worksheet D, In 5.D)	(107,233,277)	NA	0.00000	
73	TOTAL WORKING CAPITAL	(sum Ins 65 to 72)	9,360,538			10,705,626
74	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note H) (Worksheet E, In 7.(B))	(3,612,688)	DA	1.00000	(3,612,688)
75	PATE BASE (sum los 55 62 62 72 74)		1,838,326,629			389,418,114
15	RATE BASE (sum Ins 55, 62, 63, 73, 74)		1,030,320,029			303,410,114

PUBLIC SERVICE COMPANY OF OKLAHOMA

(1) (2) (3)

	(')	(-)	(-)			(-)
	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	TO Total	All	<u>ocator</u>	Total <u>Transmission</u>
Line						
No.	OPERATION & MAINTENANCE EXPENSE					
76 —	Transmission	321.112.b	56,718,579			
77	Less: Total Account 561	(Note I) 321.84-92.b	10,929,770			
78 70	Less: Account 565	(Note J) 321.96.b	33,559,313			
79	Less: expenses 100% assigned to TO billed customers (Worksheet I, In 14)	(1 -00 -0)	\$0	T D	0.000.	44.004.000
80	Total O&M Allocable to Transmission	(Ins 76 - 77 - 78 - 79)	12,229,496	TP	0.92905	11,361,869
81	Administrative and General	323.197.b (Note K)	56,826,100			
82	Less: Acct. 924, Property Insurance	323.185.b	2,267,950			
83	Acct. 928, Reg. Com. Exp.	323.189.b	1,674,535			
84	Acct. 930.1, Gen. Advert. Exp.	323.191.b	234,643			
85	Acct. 930.2, Misc. Gen. Exp.	323.192.b	2,415,907			
86	Balance of A & G	(In 81 - sum In 82 to In 85)	50,233,065	W/S	0.07536	3,785,532
87	Plus: Acct. 924, Property Insurance	(In 82)	2,267,950	GP(h)	0.16343	370,642
88	Acct. 928 - Transmission Specific	Worksheet J In 20.(E) (Note L)	18,073	TP	0.92905	16,790
89	Acct 930.1 - Only safety related ads -Direct	Worksheet J In 32.(E) (Note L)	2,155	TP	0.92905	2,002
90	Acct 930.2 - Misc Gen. Exp Trans	Worksheet J In 41.(E) (Note L)	316,110	DA	1.00000	316,110
91	Less: PBOP Expense In Acct. 926 Adjustment	Worksheet J In 10.C (Note M)	(865,036)	W/S	0.07536	(65,189)
92	A & G Subtotal	(sum lns 86 to 90 less ln 91)	53,702,389			4,556,266
93	TOTAL O & M EXPENSE	(ln 80 + ln 92)	65,931,885			15,918,135
94	DEPRECIATION AND AMORTIZATION EXPENSE				·	
9 4 95	Transmission	336.7.f	13,543,408	TP	0.92905	12,582,565
96	Plus: Transmission Plant-in-Service Additions (Worksheet B)	330.7.1	615,982	DA	1.00000	615,982
90 97	General	336.10.f	4,607,509	W/S	0.07536	347,219
98	Intangible	336.1.f	7,015,461	W/S	0.07536	528,681
99	TOTAL DEPRECIATION AND AMORTIZATION	(sum Ins 95 to 98)	25,782,360	W/G	0.07000	14,074,447
		•	-, - ,			,- ,
100	TAXES OTHER THAN INCOME	(Note N)				
101	Labor Related					
102	Payroll	Worksheet L, Col. D	4,624,157	W/S	0.07536	348,474
103	Plant Related			5 -4.		
104	Property	Worksheet L, Col. C	38,584,200	GP(h)	0.16343	6,305,670
105	Gross Receipts/Sales & Use	Worksheet L, Col. F	2,934	NA 27 (1)	0.00000	-
106	Other	Worksheet L, Col. E	217,231	GP(h)	0.16343	35,501
107	TOTAL OTHER TAXES	(sum Ins 102 to 106)	43,428,522			6,689,645
108	INCOME TAXES	(Note O)				
109	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		38.57%			
110	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		41.12%			
111	where WCLTD=(In 147) and WACC = (In 150)					
112	and FIT, SIT & p are as given in Note O.					
113	GRCF=1/(1 - T) = (from ln 109)		1.6278			
114	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	(856,408)			
115	Income Tax Calculation	(ln 110 * ln 118)	63,108,597			13,368,479
116	ITC adjustment	(ln 113 * ln 114)	(1,394,018)	NP(h)	0.18037	(251,446)
117	TOTAL INCOME TAXES	(sum Ins 115 to 116)	61,714,579			13,117,033
118	RETURN ON RATE BASE (Rate Base*WACC)	(In 75 * In 150)	153,481,914			32,512,523
119	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2)		193,255	DA	1.00000	193,255
120	REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX		350,532,514			82,505,038
121	(sum lns 93, 99, 107, 117, 118, 119)				•	<u> </u>
122	TEXAS GROSS MARGIN TAX (Note P) (Worksheet K)		-	DA		-
123	REVENUE REQUIREMENT INCLUDING GROSS MARGIN TAX		350,532,514			82,505,038
					•	

PUBLIC SERVICE COMPANY OF OKLAHOMA

SUPPORTING CALCULATIONS

In								
No.	TRANSMISSION PLANT INCLUDED IN SPP TARIFF							
124	Total transmission plant	(In 18, 19, 20, 21)						758,298,098
125	Less transmission plant excluded from SPP Tariff (Note Q)	, , , ,						35,920,833
126	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 23,	Col. (C)) (Note R)						17,876,958
127	Transmission plant included in SPP Tariff	(ln 124 - ln 125 - ln 126)						704,500,308
128	Percent of transmission plant in SPP Tariff	(In 127 / In 124)					TP=	0.92905
				Payroll Billed from				
129	WAGES & SALARY ALLOCATOR (W/S)	(Note S)	Direct Payroll	AEP Service Corp.	Total			
130	Production	354.20.b	24,119,231	9,346,737	33,465,968	NA 0.0	00000	-
131	Transmission	354.21.b	2,862,358	2,863,190	5,725,548	TP 0.9	92905	5,319,346
132	Regional Market Expenses	354.22.b	0	0	-	NA 0.0	00000	-
133	Distribution	354.23.b	16,779,562	2,203,662	18,983,224	NA 0.0	00000	-
134	Other (Excludes A&G)	354.24,25,26.b	7,360,543	5,051,109	12,411,652	NA 0.0	00000	<u>-</u>
135	Total	(sum Ins 130 to 134)	51,121,694	19,464,698	70,586,392			5,319,346
136	Transmission related amount						W/S=	0.07536
137	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
138		Long Term Interest (Workshee	et M, In. 17, col. (D))					53,669,965
139		Preferred Stock Dividends (W	orksheet M, In. 21, col. (D)))				-
140	Development of Common Stock:	·	·					
141		Proprietary Capital (112.16.c)						916,277,931
142		Less Preferred Stock (In 148)						-
143		Less Account 216.1 (112.12.c)						-
144		Less Account 219.1 (112.15.c)						6,480,383
145		Common Stock (In 141 - In 14	2 - In 143 - In 144)					909,797,548
				Capital Structure P	<u>ercentages</u>	Cost		
146		\$	_	Actual	Cap Limit	(Note 1	Γ)	Weighted
147	Long Term Debt (Worksheet M, In. 17, col. (B))	953,506,638	•	51.17%	0.00%	0.	0563	0.0288
148	Preferred Stock (Worksheet M, In. 21, col. (B))	-		0.00%	0.00%		-	0.0000
149	Common Stock (In 145) (Note U)	909,797,548		48.83%	0.00%	1	11.2%	0.0547
150	Total (sum Ins 147 to 149)	1,863,304,186					WACC=	0.0835
151	Capital Structure Equity Limit (Note U)	52.5%						

AEP - SPP Formula Rate PSO TCOS - Projected Page: 11 of 68

AEP West SPP Member Companies
2013 Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2012 and Projected Net Plant at Year-End 2013

PUBLIC SERVICE COMPANY OF OKLAHOMA

Letter	No	otes
		

General Notes: a) References to data from FERC Form 1 are indicated as: page#.line#.col.#

- b) If transmission owner ("TO") functionalizes its costs to transmission on its books, those costs are shown above and on any supporting work papers rather than using the allocations above.
- The revenue credits shall include a) amounts received directly from the SPP for PTP transmission services, b) direct assignment charges for transmission facilities, the cost of which has been included in the TCOS, and c) amounts from customers taking service under grandfathered agreements, where the demand is not included in the rate divisor. Revenues associated with FERC annual charges, gross receipts taxes, ancillarly services or facilities excluded from the TCOS are not included as revenue credits. Revenue from Transmission Customers whose coincident peak loads are included in the DIVISOR of the load-ratio share calculation are not included as revenue credits. See Worksheet A for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for facilities and any upgrades.
- This additional revenue requirement is determined using a net plant carrying charge (fixed carrying charge or FCR) approach. Worksheet G shows the calculation of the projected revenue requirement for each project, based on an FCR rate caclulated from inputs on the Historic TCOS. Line 15 shows the incremental ARR for projects receiving incentives as accepted by FERC. These individual additional revenue requirements are summed for the true-up year, and included here.
- D The gross plant, accumulated depreciation, and deferred tax balances included in rate base are reduced by the removal of balances related to Asset Retirement Obligations (AROs). This is to comply with the requirements of FERC Rulemaking RM02-7-000.
- The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations.

 The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense as discussed in Note N. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. Transmission allocations are shown on Worksheet B.
- F Identified as being transmission related or functionally booked to transmission.

M

- G Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission on line 80.
- H Consistent with Paragraph 657 of Order 2003-A, the amount on line is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 119.
- I Removes the expense booked to transmission accounts included in the development of OATT ancillary services rates, including all of Account No. 561.
- Removes cost of transmission service provided by others to the extent such service is not incurred to provide the SPP service at issue.
- K General Plant and Administrative & General expenses may be functionalized based on allocators other then the W/S allocator. Full documentation must be provided.
- Expense reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet D allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
 - This line complies with FERC requirement that Other Post Employment Benefits remain constant from an initial test year. Changes in this base amount can only occur via approval of a 205 filing.
- N Includes only FICA, unemployment, property and other assessments charged in the current year. Gross Receipts tax, Sales & Use taxes, and taxes related to income are excluded.
- The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =
 "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a
 work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that
 elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce
 rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)
 (In 109) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.

Inputs Required:

FIT = 35.00%

SIT= 5.49% (State Income Tax Rate or Composite SIT. Worksheet K))

p = 0.00% (percent of federal income tax deductible for state purposes)

- Effective January 1, 2007, Texas instituted a gross margin tax. This tax is calculated on the Texas allocated revenue of the Company, reduced by 30% to derive a "Gross Margin" for the Company. The tax rate of one percent is assessed on the resulting amount. The jurisdictional allocator is based on transmission demand allocators.
- Q Removes plant excluded from the OATT because it does not meet the SPP's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note Q.
- S Includes functional wages & salaries incurred by parent company service corporation for support of the operating company.
- T Long Term Debt cost rate = long-term interest (ln 138) / long term debt (ln 147). Preferred Stock cost rate = preferred dividends (ln 139) / preferred outstanding (ln 148). Common Stock cost rate (ROE) = 11.2%, the rate accepted by FERC in Docket No. ER07-XXX. It includes an additional 50 basis points for remaining a member of the SPP RTO.
- U Per Settlement, equity is limited to 52.5% of PSO's Capital Structure. If the percentage of equity exceeds the cap, the excess is included in long term debt in the cap structure. This value cannot change prior to 2/1/11. After this date it can only be changed via an approved 205 or 206 filing.

AEP - SPP Formula Rate PSO TCOS - Historic

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AEP West SPP Member Companies
Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

Line No. 152	REVENUE REQUIREMENT (w/o incentives)	(In 271)					ransmission Amount \$77,311,829		
			Total	Allo	cator				
153	REVENUE CREDITS	(Note A)							
154	Transmission Credits	(Worksheet H)	5,748,164	DA	1.00000	\$	5,748,164		
155	Assoc. Business Development	(Worksheet H)	467,897	DA	1.00000	\$	467,897		
156	Total Revenue Credits		6,216,061			\$	6,216,061		
157	REVENUE REQUIREMENT For All Company Facilities	(In 152 less In 156)				\$	71,095,768		
MEMO: The Carrying Charge Calculations on lines 160 to 165 below is used in calculating project revenue requirements billed on SPP Schedule 11. The total non-incentive revenue requirements for these projects shown on line 158 is included in the total on line 157.									
158			6,696,309	DA	1.00000	\$	6,696,309		
	Revenue Requirement for SPP BPU Regional Facilities (w/o incentives) (Wor	ksheet F)							
159	NET PLANT CARRYING CHARGE (w/o incentives) (Note B)								
160	Annual Rate	(ln 152/ ln 197 x 100%)					17.13%		
161	Monthly Rate	(ln 160 / 12)					1.43%		
162	NET PLANT CARRYING CHARGE ON LINE 160 , W/O DEPRECIATION (w/o	incentives) (Note B)							
163	Annual Rate	((ln 152 - ln 246) / ln 197 x 100%)					14.36%		
164	NET PLANT CARRYING CHARGE ON LINE 162, W/O INCOME TAXES, RE	TURN (Note B)							
165	Annual Rate	((ln 152 - ln 246 - ln 268 - ln 269) / ln 197 x 10	00%)				5.23%		
166	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (No	te C) (Worksheet F)					-		

(5)

(4)

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

(3)

(2)

(1)

		Data Sources				Total
Line	RATE BASE CALCULATION	(See "General Notes")	<u>TO Total</u> NOTE D	Allo	<u>cator</u>	<u>Transmission</u>
No.	GROSS PLANT IN SERVICE		<u></u>			
167	Production	(Worksheet A In 1.C)	1,342,905,530	NA	0.00000	-
168	Less: Production ARO (Enter Negative)	(Worksheet A In 2.C)	(13,330,557)	NA	0.00000	-
400	Transmission	(Worksheet A In 3.C &	706,917,109	DA		653,119,318
169 170	Logo: Transmission ABO (Enter Negative)	Ln 278)	, ,	TP	0.92390	, ,
170	Less: Transmission ARO (Enter Negative) Plus: Transmission Plant-in-Service Additions (Worksheet B)	(Worksheet A In 4.C)	N/A	NA	0.92390	N/A
172	Plus: Additional Trans Plant on Transferred Assets (Worksheet B)		N/A	NA	0.00000	N/A
173	Distribution	(Worksheet A In 5.C)	1,859,375,106	NA	0.00000	-
174	Less: Distribution ARO (Enter Negative)	(Worksheet A In 6.C)	, , , , <u>-</u>	NA	0.00000	-
175	General Plant	(Worksheet A In 7.C)	146,062,810	W/S	0.07494	10,946,109
176	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	(558,274)	W/S	0.07494	(41,838)
177	Intangible Plant	(Worksheet A In 9.C)	40,204,612	W/S	0.07494	3,012,978
178	TOTAL GROSS PLANT	(sum lns 167 to 177)	4,081,576,336	GP(h)= GTD=	0.163426 0.27546	667,036,568
179	ACCUMULATED DEPRECIATION AND AMORTIZATION					
180	Production A DO (F. (a. N (b)	(Worksheet A In 12.C)	717,461,660	NA	0.00000	-
181	Less: Production ARO (Enter Negative)	(Worksheet A In 13.C)	(2,553,598)	NA	0.00000	-
	Transmission	(Worksheet A In 14.C	218,642,096.000	TP1=		
182		& 28.C)			0.92277	201,756,854.641
183	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	- N//A	TP1=	0.92277	- N/A
184 185	Plus: Transmission Plant-in-Service Additions (Worksheet B)		N/A	DA	1.00000	N/A
185 186	Plus: Additional Projected Deprec on Transferred Assets (Worksheet B)		N/A N/A	DA TP1	1.00000	N/A N/A
186 187	Plus: Additional Transmission Depreciation for 2013 (In 246) Plus: Additional General & Intangible Depreciation for 2013 (In 248+In 249)		N/A N/A	W/S	0.92277 0.07494	N/A N/A
188	Plus: Additional Accum Deprec on Transferred Assets (Worksheet B)		N/A	DA	1.00000	N/A
189	Distribution	(Worksheet A In 16.C)	506,296,982	NA	0.00000	-
190	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.C)	-	NA	0.00000	-
191	General Plant	(Worksheet A In 18.C)	80,042,574	W/S	0.07494	5,998,479
192	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	(320,337)	W/S	0.07494	(24,006)
193	Intangible Plant	(Worksheet A In 20.C)	26,711,833	W/S	0.07494	2,001,814
194	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 180 to 193)	1,546,281,210			209,733,142
195	NET PLANT IN SERVICE					
196	Production	(ln 167 + ln 168 - ln 180 - ln 181)	614,666,911			-
197	Transmission	(ln 169 + ln 170 - ln 182 - ln 183)	488,275,013			451,362,463.849
198	Plus: Transmission Plant-in-Service Additions (In 171 - In 184)		N/A			N/A
199	Plus: Additional Trans Plant on Transferred Assets (In 172 - In 185)		N/A			N/A
200	Plus: Additional Transmission Depreciation for 2013 (-In 186)		N/A			N/A
201 202	Plus: Additional General & Intangible Depreciation for 2013 (-In 187) Plus: Additional Accum Deprec on Transferred Assets (Worksheet B) (-In 18	90)	N/A N/A			N/A N/A
202	Distribution	(ln 173 + ln 174 - ln 189 - ln 190)	1,353,078,124			IWA -
204	General Plant	(ln 175 + ln 176 - ln 191 - ln 192)	65,782,299			4,929,798
205	Intangible Plant	(ln 177 - ln 193)	13,492,779			1,011,164
206	TOTAL NET PLANT IN SERVICE	(sum Ins 196 to 205)	2,535,295,126	NP(h)=	0.180375	457,303,426
207	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note E)				
208	Account No. 281.1 (enter negative)	272-273.8.k	(050,070,000)	NA		(445,000,050)
209 210	Account No. 282.1 (enter negative) Account No. 283.1 (enter negative)	(Worksheet C, In 1.C & In 3.J) (Worksheet C, In 10.C & Ln 12.J)	(656,976,392) (159,831,378)	DA DA		(115,833,858) (3,984,988)
210	Account No. 190.1	(Worksheet C, In 19.C & Ln 12.J)	88,494,193	DA		7,445,698
212	Account No. 255 (enter negative)	(Worksheet C, In 28.C & Ln 30.J)	(182,874)	DA		(29,886)
213	TOTAL ADJUSTMENTS	(sum Ins 208 to 212)	(728,496,451)			(112,403,035)
214	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	181,474	DA		-
215	WORKING CAPITAL	(Note F)				
216	Cash Working Capital	(1/8 * In 231) (Note G)	1,528,687			1,412,351
217	Transmission Materials & Supplies	(Worksheet D, In 2.(D))	419,745	TP	0.92390	387,802
218	A&G Materials & Supplies	(Worksheet D, In 3.(D))	324,917	W/S GP(b)	0.07494	24,350
219 220	Stores Expense Prepayments (Account 165) - Labor Allocated	(Worksheet D, In 4.(D)) (Worksheet D, In 5.G)	- 111,415,611	GP(h) W/S	0.16343 0.07494	- 8,349,609
220 221	Prepayments (Account 165) - Labor Allocated Prepayments (Account 165) - Gross Plant	(Worksheet D, In 5.6)	2,904,855	GP(h)	0.07494	6,349,609 474,729
222	Prepayments (Account 165) - Transmission Only	(Worksheet D, In 5.E)	-	DA	1.00000	- TI - T, I ZJ
223	Prepayments (Account 165) - Unallocable	(Worksheet D, In 5.D)	(107,233,277)	NA	0.00000	<u></u>
224	TOTAL WORKING CAPITAL	(sum Ins 216 to 223)	9,360,538			10,648,841
225	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note H) (Worksheet E, In 7.(B))	(3,612,688)	DA	1.00000	(3,612,688)
226	RATE BASE (sum Ins 206, 213, 214, 224, 225)	· · · · · · · · · · · · · · · · · · ·	1,812,728,000			351,936,545
			.,5.2,120,000			331,000,040

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

(1) (2) (3) (4) (5)

EXPENSE, TAXES, RETURN & REVENUE Data Sources

PEQUIPMENTS: CALCULATION (See "General Notes") TO Total Allocator Transmiss

CPENATION & MARITIS-NACE EXPENSE	12	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	TO Total	Total Allocator		
Transmission		ODEDATION & MAINTENANCE EVDENCE					
Less: Total Account 561 Less: Count Assigned to TO billior Customers (Workshord II, 114) Count Part Sept.			321 112 h	56 718 570			
Loss Accounts 65							
Less: expenses 10% assigned to 10 billed outstoners (Worksheet I, In 14)			` '				
Administrative and General 323,197.0 Note 1,200.0			(('''')	-			
Less: Act. 924, Property Insurance 323, 186, b 1.074, 502		• • • • • • • • • • • • • • • • • • • •	(Ins 227 - 228 - 229 - 230)	12,229,496	TP	0.92390	11,298,807
Acct. 928, Reg. Cem. Exp. 323,181b. 1274,865 2256 Acct. 93.1, 16m. Advert. Exp. 323,191b. 221,800 221,000 321,		Administrative and General	323.197.b (Note K)	56,826,100			
Act. \$30.1, Gen. And-roft. Exp. 323.191.b. 224.897 323.191.b. 224.897 323.191.b. 224.897 323.191.b. 323.191.b		· • •					
Act. 9812, Misc. Gen. Exp. 333.192.b							
Ballance of A A G		·		the state of the s			
Plus And. 924, Property Insurance (n. 233) 2,877,950 CP(h) 0.16434 370,642		· •			\\\(\O	0.07404	0.704.500
239			,				• •
240				·			•
Acc 930.2 - Misc Gen. Exp Trans Worksheet I. 14.1 (E) (Note IL) 316.110 DA 1.00000 316.110		·		•			•
Less PROP Expense in Acad. 926 Adjustment Worksheet Jin 10.C (Note IM) (886,036) W/S 0.07494 (64,827)				·			
A & G Subtoal (sum ins 237 to 241 loss in 242) 53,702,399 4,534,799 244 TOTAL O & M EXPENSE (in 231 + in 243) 66,931,895 15,833,596 DEPRECIATION AND AMORTIZATION EXPENSE 366,71 13,543,408 TP 0,92390 12,512,728 A & G Pubs. Transmission Plant-in-Service Additions (Workshoot B) 36,71 13,543,408 TP 0,92390 12,512,728 A & G Servicial 366,71 14,803,509 W/S 0,07494 345,282 249 TOTAL DEPRECIATION AND AMORTIZATION (burn ins 248 to 249) 25,166,378 W/S 0,07494 345,282 240 TOTAL DEPRECIATION AND AMORTIZATION (burn ins 248 to 249) 25,166,378 W/S 0,07494 345,282 241 TAXES OTHER THAN INCOME (Note N) 252 Labor Related Property Workshoet L, Col. D 4,624,157 W/S 0,07494 346,539 253 Payroll Workshoet L, Col. D 38,584,200 GP (h) 0,16343 6,305,670 254 Plant Related Workshoet L, Col. E 2,234 NA 0,00000 3,55,011 255 TOTAL OTHER TAXES (sum ins 258 to 257) 43,425,222 256 Gross Rocolpts/Sales & Use Workshoet L, Col. E 2,172,231 GP (h) 0,16343 3,505,101 257 Other Workshoet L, Col. E 2,172,231 GP (h) 0,16343 3,505,101 258 TOTAL OTHER TAXES (sum ins 258 to 257) 43,425,222 259 WORKETAXES (sum ins 258 to 257) 43,425,222 250 TOTAL OTHER TAXES (Note O) 1,126 (, , , ,	·			•
TOTAL O & M EXPENSE			` '		VV/S	0.07494	
DEPRECIATION AND AMORTIZATION EXPENSE 336.7.1 13,543,408 TP 0.92390 12,512,728							
Tarsensission 336.7.1 13.53,408 TP 0.92390 12.512,728	244	TOTAL O & M EXPENSE	(ln 231 + ln 243)	65,931,885			15,833,596
Plus: Transmission Plant-in-Service Additions (Worksheet B) 336, 10, 1 4,807,509 WS 0,07494 345,222 249 Intangible 336, 1.1 7,015,461 WS 0,07494 525,746 252,7		DEPRECIATION AND AMORTIZATION EXPENSE					
248 General 336.1.01 4.607.509 W/S 0.07494 345.292	246		336.7.f		TP	0.92390	
249 Intengible 336.1.f 7.015.461 W/S 0.07494 5.25,746 250 TOTAL DEPRECIATION AND AMORTIZATION (sum ins 248 to 249) 25.166,378 25.166,378 3.383.766 251 TAXES OTHER THAN INCOME Look Related Look Re		· ·					
TOTAL DEPRECIATION AND AMORTIZATION							
TAXES OTHER THAN INCOME	249	_			W/S	0.07494	
Labor Related Payroll Worksheet L, Col. D 4,624,157 W/S 0,07494 346,539 254 Plant Related Worksheet L, Col. C 38,584,200 GP(h) 0,16343 6,305,670 Gross Receipts/Sales & Use Worksheet L, Col. F 2,934 NA 0,00000 7 Col. C Col. E 2,17,231 GP(h) 0,16343 35,501 Col. E Col. E 2,17,231 GP(h) 0,16343 35,501 Col. E	250	TOTAL DEPRECIATION AND AMORTIZATION	(sum Ins 246 to 249)	25,166,378			13,383,766
Payroll Payr			(Note N)				
Plant Related Plant Relate			W 1 1 1 0 1 B	4.004.457	144/0	0.07404	0.40.500
Property		·	Worksheet L, Col. D	4,624,157	VV/S	0.07494	346,539
Company Comp			Workshoot I Col C	29 594 200	CD(h)	0.46242	6 205 670
Company		·		·			6,305,670
TOTAL OTHER TAXES (sum ins 253 to 257) 43,428,522 6,687,710 NICOME TAXES (Note O)		·	·				- 35 501
INCOME TAXES			•	·	GF (II)	0.10343	
260 T=1 - [((1 - SIT)* (1 - FIT)) / (1 - SIT * FIT * p)) = 38.57% 261 EIT=(T((1-T))* (1 - (WCLTDMACC)) = 41.12% 262 where WCLTD=(ln 298) and WACC = (ln 301) 263 and FIT, SIT & p are as given in Note O. 264 GRCF=1 / (1 - T) = (from ln 260) 265 Amortized Investment Tax Credit (enter negative) 266 Income Tax Calculation (ln 261* ln 269) (856.408) 267 ITC adjustment (ln 264* ln 265) (1.394.018) NP(h) 0.18037 (251.446) 268 TOTAL INCOME TAXES (sum lns 266 to 267) 60.835,794 269 RETURN ON RATE BASE (Rate Base*WACC) (ln 226* ln 301) 151,344,684 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, ln 2) 193,255 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum lns 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA				40,420,322			0,007,710
EIT=(Ti(1-T))* (1-(WCLTD/WACC)) = 41.12% where WCLTD=(In 298) and WACC = (In 301) 263 and FIT, SIT & pare as given in Note O. 264 GRCF=1 / (1 - T) = (from In 260) 265 Amortized Investment Tax Credit (enter negative) 266 Income Tax Calculation (In 261* In 269) 62,229,812 267 ITC adjustment (In 264* In 265) (1,394,018) NP(h) 0.18037 (251,446) 268 TOTAL INCOME TAXES (sum Ins 266 to 267) 60,835,794 269 RETURN ON RATE BASE (Rate Base*WACC) (In 226* In 301) 151,344,684 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 193,255 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA -			(Note O)	00.570/			
262 where WCLTD=(In 298) and WACC = (In 301) and FIT, SIT & p are as given in Note O. GRCF=1/(1-T) = (from In 260)		1.77					
263 and FIT, SIT & p are as given in Note O. 264 GRCF=1 / (1 - T) = (from in 260) 265 Amortized Investment Tax Credit (enter negative) 266 Income Tax Calculation 267 ITC adjustment 268 ITC adjustment 269 RETURN ON RATE BASE (Rate Base*WACC) 269 RETURN ON RATE BASE (Rate Base*WACC) 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX 272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 274 INTEREST ON IPP (Worksheet K) 275 INTEREST ON IPP (Worksheet K) 276 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 277 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 287 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 29,383,187 29,383,187 29,383,187 29,383,187 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 29,383,187 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 29,383,187 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 29,383,187 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 29,383,187 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 20 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 21 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 22 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet K) 23 INTEREST ON I				41.12%			
Comparison of the Comparison							
Amortized Investment Tax Credit (enter negative) (FF1 p.114, In 19.c) (B56,408) (B10 come Tax Calculation		·		1 6278			
12,081,760 17C adjustment			(FF1 n 11/1 ln 19 c)				
ITC adjustment	203	Amortized investment rax credit (enter negative)	(11 1 p. 114, iii 19.0)	(030,400)			
268 TOTAL INCOME TAXES (sum lns 266 to 267) 60,835,794 11,830,314 269 RETURN ON RATE BASE (Rate Base*WACC) (ln 226 * ln 301) 151,344,684 29,383,187 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, ln 2) 193,255 DA 1.00000 193,255 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum lns 244, 250, 258, 268, 269, 270) 346,900,518 77,311,829 272 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA -	266	Income Tax Calculation	(ln 261 * ln 269)	62,229,812			12,081,760
268 TOTAL INCOME TAXES (sum lns 266 to 267) 60,835,794 11,830,314 269 RETURN ON RATE BASE (Rate Base*WACC) (ln 226 * ln 301) 151,344,684 29,383,187 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, ln 2) 193,255 DA 1.00000 193,255 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum lns 244, 250, 258, 268, 269, 270) 346,900,518 77,311,829 272 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA -	267	ITC adjustment	(ln 264 * ln 265)	(1,394,018)	NP(h)	0.18037	(251,446)
270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 193,255 DA 1.00000 193,255 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum Ins 244, 250, 258, 268, 269, 270) 346,900,518 77,311,829 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA -	268	TOTAL INCOME TAXES	(sum Ins 266 to 267)	60,835,794			
271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX 272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA -	269	RETURN ON RATE BASE (Rate Base*WACC)	(ln 226 * ln 301)	151,344,684			29,383,187
272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA -	270	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2	2)	193,255	DA	1.00000	193,255
272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA -	271	REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX		346 900 518			77 311 829
273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) - DA				3.0,000,010			11,011,020
	<u> </u>	(56111 1113 277, 200, 200, 200, 200, 210)					
274 REVENUE REQUIREMENT INCLUDING GROSS MARGIN TAX 346,900,518 77,311,829	273	TEXAS GROSS MARGIN TAX (Note P) (Worksheet K)		-	DA		-
	274	REVENUE REQUIREMENT INCLUDING GROSS MARGIN TAX		346,900,518			77,311,829

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AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

SUPPORTING CALCULATIONS

No. TRANSMISSION PLANT INCLUDED IN SPP TARIFF	In								
Less transmission plant included in OATT Ancillary Services (Worksheet A, In 23a Col. (Cj). (Note Q) 277 278 279 279 279 279 279 270 270 277 277 277 278 277 278 278 278 278 279 279 279 270 270 280 280 281 281 280 281 281 280 281 281 281 281 282 281 282 281 282 281 282 281 282 283 282 281 283 282 281 283 282 283 282 283 283 283 283 283 283	No.	TRANSMISSION PLANT INCLUDED IN SPP TARIFF							
Less transmission plant included in OATT Ancillary Services (Worksheet A, In 23, Col. (C)) (Note R) Transmission plant included in SPP Tariff (In 275 - In 276 - In 277)	275	Total transmission plant	(In 169)						706,917,109
Less transmission plant included in OATT Ancillary Services (Worksheet A, In 23, Col. (C)) (Note R) Transmission plant included in SPP Tariff (In 275 - In 276 - In 277)		Less transmission plant excluded from SPP Tariff (Worksheet A, In 23a Col.	(C)) (Note Q)						35,920,833
Percent of transmission plant in SPP Tariff (In 278 / In 275) TP=	277	Less transmission plant included in OATT Ancillary Services (Worksheet A, Ir	n 23, Col. (C)) (Note R)						17,876,958
Note S Direct Payroll Billed from AEP Service Corp. Total Service Corp. NA 0.000000 NA 0.0000000000000000000000000000000000	278	·							653,119,318
WAGES & SALARY ALLOCATOR (W/S)	279	Percent of transmission plant in SPP Tariff	(In 278 / In 275)					TP=	0.92390
Production 354 20.b 24,119,231 9,346,737 33,46,598 NA 0,00000					Payroll Billed from				
282 Transmission 283 Regional Market Expenses 284 Distribution 285 Regional Market Expenses 286 Distribution 287 Other (Excludes A&G) 288 WEIGHTED AVERAGE COST OF CAPITAL (WACC) 288 WEIGHTED AVERAGE COST OF CAPITAL (WACC) 289 Preferred Stock (In 299) 290 Less Account 219.1 (112.16.c) 291 Development of Common Stock: 292 Proprietary Capital (112.16.c) 293 Preferred Stock (In 299) 294 Long Term Debt (Worksheet M, In. 17, col. (B)) 295 Preferred Stock (In 299 - In 293 - In 294 - In 295) 296 Common Stock (In 299 - In 293 - In 294 - In 295) 297 Preferred Stock (In 299 - In 293 - In 294 - In 295) 298 Common Stock (In 299 - In 293 - In 294 - In 295) 299 Preferred Stock (In 299 - In 293 - In 294 - In 295) 299 Preferred Stock (In 299 - In 293 - In 294 - In 295) 299 Preferred Stock (In 299 - In 293 - In 294 - In 295) 299 Preferred Stock (In 299 - In 293 - In 294 - In 295) 299 Preferred Stock (In 299 - In 293 - In 294 - In 295) 299 Preferred Stock (In 299 - In 293 - In 294 - In 295) 299 Preferred Stock (In 299 - In 293 - In 294 - In 295) 299 Preferred Stock (In 299 - In 293 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 291 Preferred Stock (In 299 - In 294 - In 295) 292 Preferred Stock (In 299 - In 294 - In 295) 293 Preferred Stock (In 299 - In 294 - In 295) 294 Preferred Stock (In 299 - In 294 - In 295) 295 Preferred Stock (In 299 - In 294 - In 295) 296 Preferred Stock (In 299 - In 294 - In 295) 297 Preferred Stock (In 299 - In 294 - In 295) 298 Preferred Stock (In 299 - In 294 - In 295) 299 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Preferred Stock (In 299 - In 294 - In 295) 290 Pre	280	WAGES & SALARY ALLOCATOR (W/S)	(Note S)	Direct Payroll	AEP Service Corp.	Total			
283 Regional Market Expenses 354.22.b 0 0 0 0 NA 0.00000 354.23.b 16,779,566 2,203,662 18,983,224 NA 0.00000 354.24.25,26.b 7,360,543 5,051,109 12,411,652 NA 0.00000 266 Total (sum ins 281 to 285) 51,121,694 19,464,698 70,586,392 W/S= 287 Transmission related amount W/S= 288 WEIGHTED AVERAGE COST OF CAPITAL (WACC) 289 Preferred Stock (In 299) Less Account 2191, (112.16.c) Less Preferred Stock (in 299) Less Account 2191, (112.15.c) Common Stock (in 292 - in 293 - in 294 - in 295) 296 Long Term Debt (Worksheet M, in. 17, col. (B)) 297 See Long Term Debt (Worksheet M, in. 17, col. (B)) 298 Preferred Stock (Worksheet M, in. 17, col. (B)) 299 Preferred Stock (Worksheet M, in. 17, col. (B)) 299 Preferred Stock (Worksheet M, in. 17, col. (B)) 299 Preferred Stock (In 296) (Note U) 300 Common Stock (in 296) (Note U) 301 Total (sum ins 298 to 300) 354.24.25, 26.b 7,360,543 5,051,109 12,411,652 NA 0,00000 354.24.25,26.b 7,360,543 5,051,109 12,411,652 NA 0,00000 354.24.25,26.b 7,360,543 5,051,109 12,411,652 NA 0,00000 207 NA 0,00000 NA 0,00000 NA 0,00000 208 Preferred Stock (In 296) (Note II) 12,411,652 NA 0,00000 NA 0,00000 209 Preferred Stock (In 299) Less Account 2191, (112.16.c) Common Stock (In 290, Limit (Note T) 0,00563 NA 0,00000 209 Preferred Stock (Worksheet M, in. 17, col. (B)) 300 Common Stock (In 296) (Note U) 301 Total (sum ins 298 to 300) 354.24.25,26.b 7,360,543 5,051,309 NA 0,00000 NA	281	Production	354.20.b	24,119,231	9,346,737	33,465,968	NA	0.00000	-
283 Regional Market Expenses 354.22.b 0 0 0 0 NA 0.00000 354.23.b 16.779,562 2,203,662 18,983,224 NA 0.00000 2265 Other (Excludes A&G) 354.23.b 16.779,562 2,203,662 18,983,224 NA 0.00000 266 Total (sum ins 281 to 285) 51,121,694 19,464,698 70,586,392 NA 0.00000 270 287 Transmission related amount W/S= 288 WEIGHTED AVERAGE COST OF CAPITAL (WACC) 289	282	Transmission	354.21.b	2,862,358	2,863,190	5,725,548	TP	0.92390	5,289,822
285 Other (Excludes A&G) 354.24,25,26.b 7,360,543 5,051,109 12,411,652 NA 0.00000	283	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-
Total (sum ins 281 to 285) 51,121,694 19,464,698 70,586,392	284	Distribution	354.23.b	16,779,562	2,203,662	18,983,224	NA	0.00000	-
Transmission related amount W/S=	285	Other (Excludes A&G)	354.24,25,26.b	7,360,543	5,051,109	12,411,652	NA	0.00000	-
Long Term Interest (Worksheet M, In. 17, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Proprietary Capital (112.16.c) Less Preferred Stock (In 299) Less Account 216.1 (112.12.c) Less Account 216.1 (112.15.c) Common Stock (In 292 - In 293 - In 294 - In 295) Common Stock (In 292 - In 293 - In 294 - In 295) Society	286	Total	(sum lns 281 to 285)	51,121,694	19,464,698	70,586,392			5,289,822
Long Term Interest (Worksheet M, In. 17, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock (In 299) Less Preferred Stock (In 299) Less Account 216.1 (112.12.c) Less Account 219.1 (112.15.c) Common Stock (In 292 - In 293 - In 294 - In 295) Sanctial Structure Percentages (Note T) Sanctial Structure Percentages (Note T) One Common Stock (In 296) (Note U)	287	Transmission related amount						W/S=	0.07494
Long Term Interest (Worksheet M, In. 17, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Preferred Stock (In 299) Less Preferred Stock (In 299) Less Account 216.1 (112.12.c) Less Account 219.1 (112.15.c) Common Stock (In 292 - In 293 - In 294 - In 295) Sanctial Structure Percentages (Note T) Sanctial Structure Percentages (Note T) One Common Stock (In 296) (Note U)	200	WEIGHTED AVERAGE COST OF CARITAL (MACC)							¢
Preferred Stock Dividends (Worksheet M, In. 21, col. (D)) Proprietary Capital (112.16.c) Less Preferred Stock (In 299) Less Account 216.1 (112.12.c) Less Account 219.1 (112.15.c) Common Stock (In 292 - In 293 - In 294 - In 295) Long Term Debt (Worksheet M, In. 17, col. (B)) Preferred Stock (In 299) Long Term Debt (Worksheet M, In. 17, col. (B)) Preferred Stock (In 292 - In 293 - In 294 - In 295) Society Actual Cap Limit (Note T) Preferred Stock (Worksheet M, In. 17, col. (B)) Preferred Stock (Worksheet M, In. 21, col. (B)) Preferred Stock (In 296) (Note U) Proprietary Capital (112.16.c) Less Account 216.1 (112.12.c) Less Account 219.1 (112.15.c) Common Stock (In 292 - In 293 - In 294 - In 295) Society Actual Cap Limit (Note T) Proprietary Capital (112.16.c) Less Account 216.1 (112.15.c) Common Stock (In 296 Long Structure Percentages Cost (Note T) 953,506,638 51.17% 0.00% 0.00% 0.0563 Preferred Stock (Worksheet M, In. 21, col. (B)) Total (sum Ins 298 to 300) 11.2% WACC=		WEIGHTED AVERAGE COST OF CAPITAL (WACC)	Long Torm Interest (Mor	rkohoot M. In. 17 ool (F	211				Φ 53 660 065
Development of Common Stock: 292			• ,	,	• •				53,669,965
Proprietary Capital (112.16.c) Less Preferred Stock (ln 299)		Davidanment of Common Stock	Preferred Stock Divident	us (vvoiksneet ivi, iii. 2 i	, coi. (D))				-
Less Preferred Stock (ln 299)		Development of Common Stock.	Proprietory Capital (112	16 a)					916,277,931
Less Account 216.1 (112.12.c)									910,277,931
Less Account 219.1 (112.15.c) Common Stock (lin 292 - lin 293 - lin 294 - lin 295) Common Stock (lin 292 - lin 293 - lin 294 - lin 295) Cost			· ·	· ·					_
Common Stock (In 292 - In 293 - In 294 - In 295 Capital Structure Percentages Cost			•	•					6,480,383
Capital Structure Percentages Cost					١				909,797,548
Sample S	250		Common Stock (iii 232	111 200 111 204 111 200		Percentages		Cost	303,737,040
298 Long Term Debt (Worksheet M, In. 17, col. (B)) 953,506,638 51.17% 0.00% 0.0563 299 Preferred Stock (Worksheet M, In. 21, col. (B)) - 0.00% 0.00% - 300 Common Stock (In 296) (Note U) 909,797,548 48.83% 0.00% 11.2% 301 Total (sum Ins 298 to 300) 1,863,304,186 WACC=	207		¢						Weighted
299 Preferred Stock (Worksheet M, In. 21, col. (B)) - 0.00% 0.00% - 300 Common Stock (In 296) (Note U) 909,797,548 48.83% 0.00% 11.2% 301 Total (sum Ins 298 to 300) 1,863,304,186 WACC=		Long Torm Dobt (Workshoot M. In. 17, col. (R))	·	_			-		0.0288
300 Common Stock (In 296) (Note U) 909,797,548 48.83% 0.00% 11.2% 301 Total (sum Ins 298 to 300) 1,863,304,186 WACC=			955,500,056					0.0303	0.0288
301 Total (sum lns 298 to 300)		, ,,,	909 797 5/18					11 2%	0.0547
					40.03 /0	0.0076			0.0835
302 Capital Structure Equity Limit (Note U) 52.5%	301	10tai (Suiti 1115 230 to 300)	1,003,304,100					WACC=	0.0033
	302	Capital Structure Equity Limit (Note U)	52.5%						

AEP - SPP Formula Rate PSO TCOS - Historic Page: 16 of 68

AEP West SPP Member Companies
Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

<u>Notes</u>

- General Notes: a) References to data from FERC Form 1 are indicated as: page#.line#.col.#
 b) If transmission owner ("TO") functionalizes its costs to transmission on its books, those costs are shown above and on any supporting work papers rather than using the allocations above.
- The revenue credits shall include a) amounts received directly from the SPP for PTP transmission services, b) direct assignment charges for transmission facilities, the cost of which has been included in the TCOS, and c) amounts from customers taking service under grandfathered agreements, where the demand is not included in the rate divisor. Revenues associated with FERC annual charges, gross receipts taxes, ancillary services or facilities excluded from the TCOS are not included as revenue credits. Revenue from Transmission Customers whose coincident peak loads are included in the DIVISOR of the load-ratio share calculation are not included as revenue credits. See Worksheet A for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for facilities and any upgrades.
- This additional revenue requirement is determined using a net plant carrying charge (fixed carrying charge or FCR) approach. Worksheet G shows the calculation of the projected revenue requirement for each project, based on an FCR rate caclulated from inputs on this TCOS. Line 166 shows the incremental ARR for projects receiving incentives as accepted by FERC. These individual additional revenue requirements are summed for the true-up year, and included here.
- D The gross plant, accumulated depreciation, and deferred tax balances included in rate base are reduced by the removal of balances related to Asset Retirement Obligations (AROs). This is to comply with the requirements of FERC Rulemaking RM02-7-000.
- The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations.

 The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense as discussed in Note N. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. Transmission allocations are shown on Worksheet B.
- F Identified as being transmission related or functionally booked to transmission.

Ν

- G Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission on line 231.
- Consistent with Paragraph 657 of Order 2003-A, the amount on line is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 270.
- I Removes the expense booked to transmission accounts included in the development of OATT ancillary services rates, including all of Account No. 561.
- J Removes cost of transmission service provided by others to the extent such service is not incurred to provide the SPP service at issue.
- K General Plant and Administrative & General expenses may be functionalized based on allocators other then the W/S allocator. Full documentation must be provided.
- Expense reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet D allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- This line complies with FERC requirement that Other Post Employment Benefits remain constant from an initial test year. Changes in this base amount can only occur via approval of a 205 filing.
 - Includes only FICA, unemployment, property and other assessments charged in the current year. Gross Receipts tax, Sales & Use taxes, and taxes related to income are excluded.
- The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =
 "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a
 work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that
 elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce
 rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)
 (In 260) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.

Inputs Required:

FIT = 35.00%

SIT= 5.49% (State Income Tax Rate or Composite SIT. Worksheet K))

p = 0.00% (percent of federal income tax deductible for state purposes)

- P Effective January 1, 2007, Texas instituted a gross margin tax. This tax is calculated on the Texas allocated revenue of the Company, reduced by 30% to derive a "Gross Margin" for the Company. The tax rate of one percent is assessed on the resulting amount. The jurisdictional allocator is based on transmission demand allocators.
- Q Removes plant excluded from the OATT because it does not meet the SPP's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note Q.
- S Includes functional wages & salaries incurred by parent company service corporation for support of the operating company.
- Long Term Debt cost rate = long-term interest (ln 289) / long term debt (ln 298). Preferred Stock cost rate = preferred dividends (ln 290) / preferred outstanding (ln 299). Common Stock cost rate (ROE) = 11.2%, the rate accepted by FERC in Docket No. ER07-XXX. It includes an additional 50 basis points for remaining a member of the SPP RTO.
- Per Settlement, equity is limited to 52.5% of PSO's Capital Structure. If the percentage of equity exceeds the cap, the excess is included in long term debt in the cap structure. This value cannot change prior to 2/1/11. After this date it can only be changed via an approved 205 or 206 filing.

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

Line No. 1	REVENUE REQUIREMENT (w/o incentives)	(In 107)	Total	Alloc	ator	Tr	ansmission Amount \$76,861,533
2	REVENUE CREDITS	(Note A)					
3	Transmission Credits	(Worksheet H)	5,748,164	DA	1.00000	\$	5,748,164
4	Assoc. Business Development	(Worksheet H)	467,897	DA	1.00000	\$	467,897
5	Total Revenue Credits		6,216,061			\$	6,216,061
6	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 5)					\$70,645,473
МЕМО		w is used in calculating project revenue requirements bill for these projects shown on line 7 is included in the total o		ntive revenue			
7			5,596,501	DA	1.00000	\$	5,596,501
	Trued-Up Revenue Requirement for SPP BPU Regional F	acilities (w/o incentives) (Worksheet G)					
8	NET PLANT CARRYING CHARGE (w/o incentives) (Note	B)					
9	Annual Rate	(In 1/ In 39 x 100%)					17.18%
10	Monthly Rate	(ln 9 / 12)					1.43%
11	NET PLANT CARRYING CHARGE ON LINE 9 , W/O DEP	RECIATION (w/o incentives) (Note B)					
12	Annual Rate	((ln 1 - ln 83) / ln 39 x 100%)					14.39%
13	NET PLANT CARRYING CHARGE ON LINE 11, W/O INC	COME TAXES, RETURN (Note B)					
14	Annual Rate	((ln 1 - ln 83 - ln 104 - ln 105) / ln 39 x 100%)					5.28%
15	ADDITIONAL REVENUE REQUIREMENT for projects w/ i	ncentive ROE's (Note C) (Worksheet G)					-

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

(1) (2) (3)

		Data Sources				Total
Lina	RATE BASE CALCULATION	(See "General Notes")	TO Total	Alloc	<u>ator</u>	<u>Transmission</u>
Line No.	GROSS PLANT IN SERVICE		NOTE D			
16	Production	(Worksheet A In 1.E)	1,328,618,104	NA	0.00000	_
17	Less: Production ARO (Enter Negative)	(Worksheet A In 1.E)	(12,649,219)	NA NA	0.00000	_
18	Transmission	(Worksheet A In 2.E) (Worksheet A In 3.E & Ln 114)	699,780,542	DA	0.00000	645,765,295
19	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E)	099,700,342	TP	0.92281	043,703,293
20	Distribution	(Worksheet A In 4.E)	1,810,703,273	NA	0.00000	-
21	Less: Distribution ARO (Enter Negative)	(Worksheet A In 5.E)	1,010,703,273	NA NA	0.00000	-
22	General Plant	(Worksheet A In 7.E)	144,264,599	W/S	0.07485	10,798,631
23	Less: General Plant ARO (Enter Negative)	(Worksheet A In 7.E)	, , , , , , , , , , , , , , , , , , ,	W/S	0.07485	
23 24	· · · · · · · · · · · · · · · · · · ·	(Worksheet A In 9.E)	(523,952) 43,636,647	W/S	0.07485	(39,219)
	Intangible Plant	·			0.16438	3,266,332
25	TOTAL GROSS PLANT	(sum Ins 16 to 24)	4,013,829,994	GP(TU)= GTD=	0.16436	659,791,038
26	ACCUMULATED DEPRECIATION AND AMORTIZATION	N				
27	Production	(Worksheet A In 12.E)	717,757,277	NA	0.00000	-
28	Less: Production ARO (Enter Negative)	(Worksheet A In 13.E)	(2,407,256)	NA	0.00000	-
29	Transmission	(Worksheet A In 14.E & 28.E)	214,988,640	TP1=	0.92259	198,347,342
30	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.E)	-	TP1=	0.92259	<u>-</u>
31	Distribution	(Worksheet A In 16.E)	498,723,096	NA	0.00000	-
32	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.E)	, , , <u>-</u>	NA	0.00000	-
33	General Plant	(Worksheet A In 18.E)	80,336,501	W/S	0.07485	6,013,424
34	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.E)	(311,429)	W/S	0.07485	(23,311)
35	Intangible Plant	(Worksheet A In 20.E)	32,083,615	W/S	0.07485	2,401,553
36	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 27 to 35)	1,541,170,442			206,739,008
37	NET PLANT IN SERVICE					
38	Production	(In 16 + In 17 - In 27 - In 28)	600,618,865			_
39	Transmission	(ln 18 + ln 19 - ln 29 - ln 30)	484,791,903			447,417,953
40	Distribution	(In 20 + In 21 - In 31 - In 32)	1,311,980,177			
41	General Plant	(In 22 + In 23 - In 33 - In 34)	63,715,575			4,769,299
42	Intangible Plant	(In 24 - In 35)	11,553,033			864,779
43	TOTAL NET PLANT IN SERVICE	(sum Ins 38 to 42)	2,472,659,552	NP(TU)=	0.18322	453,052,031
40	TOTAL NET FLANT IN SLIVICE	(50111 1115 50 to 42)	2,472,039,332	MF(10)=	0.10322	433,032,031
4.4	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note E)				
44 45		(Note E)		NA		
45 46	Account No. 281.1 (enter negative)	272-273.8.k (Worksheet C, In 7.C & In 9.J)	(649,842,880)	DA		(110 452 171)
46 47	Account No. 282.1 (enter negative)	,				(112,453,171)
48	Account No. 283.1 (enter negative) Account No. 190.1	(Worksheet C, In 16.C & Ln 18.J) (Worksheet C, In 25.C & Ln 27.J)	(170,243,814)	DA DA		(4,334,824) 7,168,040
	Account No. 190.1 Account No. 255 (enter negative)	(Worksheet C, In 34.C & Ln 36.J)	98,196,564 (188,177)	DA		
49 50	,	,		DA		(30,932)
50	TOTAL ADJUSTMENTS	(sum Ins 45 to 49)	(722,078,306)			(109,650,888)
51	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.E & In 30.E)	129,976	DA		-
52	WORKING CAPITAL	(Note F)				
53	Cash Working Capital	(1/8 * In 68) (Note G)	1,528,687			1,410,689
54	Transmission Materials & Supplies	(Worksheet D, In 2.(F))	586,984	TP	0.92281	541,675
55	A&G Materials & Supplies	(Worksheet D, In 3.(F))	407,146	W/S	0.07485	30,476
56	Stores Expense	(Worksheet D, In 4.(F))	-	GP(TU)	0.16438	<u>-</u>
57	Prepayments (Account 165) - Labor Allocated	(Worksheet D, In 7.G)	108,929,737	w/s	0.07485	8,153,712
58	Prepayments (Account 165) - Gross Plant	(Worksheet D, In 7.F)	3,197,609	GP(TU)	0.16438	525,621
59	Prepayments (Account 165) - Transmission Only	(Worksheet D, In 7.E)	· · ·	ĎA ´	1.00000	, -
60	Prepayments (Account 165) - Unallocable	(Worksheet D, In 7.D)	(104,177,433)	NA	0.00000	-
61	TOTAL WORKING CAPITAL	(sum Ins 53 to 60)	10,472,730			10,662,174
62	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note H) (Worksheet E, In 8.(B))	(5,180,015)	DA	1.00000	(5,180,015)
63	RATE BASE (sum Ins 43, 50, 51, 61, 62)		1,756,003,937			348,883,301
	·					

(5)

76,861,533

(4)

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

(1) (2)

	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	<u>TO Total</u>	Alloc	ator	Total <u>Transmission</u>
Line No.	OPERATION & MAINTENANCE EXPENSE					
64	Transmission	321.112.b	56,718,579			
			, , ,			
65	Less: Total Account 561	(Note I) 321.84-92.b	10,929,770			
66	Less: Account 565	(Note J) 321.96.b	33,559,313			
67	Less: expenses 100% assigned to TO billed customers		<u> </u>			
68	Total O&M Allocable to Transmission	(Ins 64 - 65 - 66 - 67)	12,229,496	TP	0.92281	11,285,515
69	Administrative and General	323.197.b (Note K)	56,826,100			
70	Less: Acct. 924, Property Insurance	323.185.b	2,267,950			
71	Acct. 928, Reg. Com. Exp.	323.189.b	1,674,535			
72	Acct. 930.1, Gen. Advert. Exp.	323.191.b	234,643			
73	Acct. 930.2, Misc. Gen. Exp.	323.192.b	2,415,907			
74	Balance of A & G	(In 69 - sum In 70 to In 73)	50,233,065	W/S	0.07485	3,760,093
7 -1 75		(In 70)	2,267,950		0.16438	372,804
	Plus: Acct. 924, Property Insurance	,	·	GP(TU) TP		
76 	Acct. 928 - Transmission Specific	(Note I) 321.84-92.b	18,073		0.92281	16,678
77	Acct 930.1 - Only safety related ads -Direct	(Note J) 321.96.b	2,155	GP(TU)	0.16438	354
78	Acct 930.2 - Misc Gen. Exp Trans	Worksheet J In 41.(E) (Note L)	316,110	DA	1.00000	316,110
79	Less: PBOP Expense In Acct. 926 Adjustment	Worksheet J In 10.C (Note M)	(865,036)	W/S	0.07485	(64,751)
80	A & G Subtotal	(sum lns 74 to 78 less ln 79)	53,702,389			4,530,790
81	TOTAL O & M EXPENSE	(In 68 + In 80)	65,931,885			15,816,305
82	DEPRECIATION AND AMORTIZATION EXPENSE					
83	Transmission	336.7.f	13,543,408	TP	0.92281	12,498,008
84	General	336.10.f	4,607,509	W/S	0.07485	344,886
85		336.1.f	7,015,461	W/S	0.07485	525,128
86	Intangible TOTAL DEPRECIATION AND AMORTIZATION			VV/S	0.07465	
00	TOTAL DEPRECIATION AND AMORTIZATION	(sum Ins 83 to 85)	25,166,378			13,368,022
87	TAXES OTHER THAN INCOME	(Note N)				
88	Labor Related					
89	Payroll	Worksheet L, Col. D	4,624,157	W/S	0.07485	346,132
90	Plant Related					
91	Property	Worksheet L, Col. C	38,584,200	GP(TU)	0.16438	6,342,448
92	Gross Receipts/Sales & Use	Worksheet L, Col. F	2,934	NA ´	0.00000	· · · · -
93	Other	Worksheet L, Col. E	217,231	GP(TU)	0.16438	35,708
94	TOTAL OTHER TAXES	(sum Ins 89 to 93)	43,428,522	3. (13)	0110100	6,724,288
01		(cam inc co to co)	10, 120,022			0,721,200
95	INCOME TAXES	(Note O)				
96	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		38.57%			
97	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		40.88%			
98	where WCLTD=(In 134) and WACC = (In 137)					
99	and FIT, SIT & p are as given in Note O.					
100	GRCF=1 / (1 - T) = (from In 96)		1.6278			
101	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	(856,408)			
102	Income Tax Calculation	(In 97 * In 105)	59,905,606			11,902,061
102	ITC adjustment	(In 100 * In 101)	(1,394,018)	NP(TU)	0.18322	(255,418)
		,		NF(10)	0.10322	
104	TOTAL INCOME TAXES	(sum Ins 102 to 103)	58,511,588			11,646,642
105	RETURN ON RATE BASE (Rate Base*WACC)	(In 63 * In 137)	146,532,032			29,113,021
106	INTEREST ON IPP CONTRIBUTION FOR CONST. (No	te E) (Worksheet E, In 2)	193,255	DA	1.00000	193,255
107 108	REVENUE REQUIREMENT BEFORE TEXAS GROSS (sum Ins 81, 86, 94, 104, 105, 106)	MARGIN TAX	339,763,660			76,861,533
109	TEXAS GROSS MARGIN TAX (Note P) (Worksheet K)		-	DA		-

REVENUE REQUIREMENT INCLUDING GROSS MARGIN TAX

339,763,660

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

SUPPORTING CALCULATIONS

No.	TRANSMISSION PLANT INCLUDED IN SPP TARIFF								
111	Total transmission plant	(In 18)							699,780,542
112	Less transmission plant excluded from SPP Tariff (Wor	ksheet A, In 23a Col. (E)) (Note Q)							35,920,833
113	Less transmission plant included in OATT Ancillary Serv	rices (Worksheet A, In 23, Col. (E)) (No	te R)						18,094,414
114	Transmission plant included in SPP Tariff	(ln 111 - ln 112 - ln 113)	•						645,765,295
115	Percent of transmission plant in SPP Tariff	(In 114 / In 111)						TP=	0.92281
					Payroll Billed from				
116	WAGES & SALARY ALLOCATOR (W/S)	(Note S)		Direct Payroll	AEP Service Corp.	Total			
117	Production	354.20.b		24,119,231	9,346,737	33,465,968	NA	0.00000	-
118	Transmission	354.21.b		2,862,358	2,863,190	5,725,548	TP	0.92281	5,283,600
119	Regional Market Expenses	354.22.b		0	0	-	NA	0.00000	-
120	Distribution	354.23.b		16,779,562	2,203,662	18,983,224	NA	0.00000	-
121	Other (Excludes A&G)		0	7,360,543	5,051,109	12,411,652	NA	0.00000	-
122	Total	(sum Ins 117 to 121)		51,121,694	19,464,698	70,586,392			5,283,600
123	Transmission related amount							W/S=	0.07485
124	WEIGHTED AVERAGE COST OF CAPITAL (WACC)								\$
124 125	WEIGHTED AVERAGE COST OF CAPITAL (WACC) Long Term Interest	Long Term Interest (Worksheet N. I	n. 19. co	I. (E))					т
125	Long Term Interest	Long Term Interest (Worksheet N, I Preferred Stock Dividends (Worksh		* * * * * * * * * * * * * * * * * * * *				_	\$ 53,842,827 -
	` ,	Long Term Interest (Worksheet N, I Preferred Stock Dividends (Worksh		* * * * * * * * * * * * * * * * * * * *				_	53,842,827
125 126 127	Long Term Interest Preferred Dividends Development of Common Stock:	Preferred Stock Dividends (Worksh		* * * * * * * * * * * * * * * * * * * *					53,842,827 - Average
125 126 127 128	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E))		* * * * * * * * * * * * * * * * * * * *					53,842,827
125 126 127	Long Term Interest Preferred Dividends Development of Common Stock:	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E))		* * * * * * * * * * * * * * * * * * * *					53,842,827 - Average
125 126 127 128 129	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less Preferred Stock (In 135)	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E)) (Worksheet N, In. 3, col. (E))		* * * * * * * * * * * * * * * * * * * *					53,842,827 - Average 904,541,495 -
125 126 127 128 129 130 131	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less Preferred Stock (In 135) Less Account 216.1 Less Account 219	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E)) (Worksheet N, In. 3, col. (E)) (Worksheet N, In. 4, col. (E))		* * * * * * * * * * * * * * * * * * * *					53,842,827 - Average 904,541,495 - - - 6,814,451
125 126 127 128 129 130	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less Preferred Stock (In 135) Less Account 216.1	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E)) (Worksheet N, In. 3, col. (E))		* * * * * * * * * * * * * * * * * * * *	Capital Structure F	Percentages		Cost	53,842,827 - Average 904,541,495 -
125 126 127 128 129 130 131	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less Preferred Stock (In 135) Less Account 216.1 Less Account 219	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E)) (Worksheet N, In. 3, col. (E)) (Worksheet N, In. 4, col. (E)) (In 128 - In 129 - In 130 - In 131)		* * * * * * * * * * * * * * * * * * * *	<u>Capital Structure F</u> Actual			Cost (Note S)	53,842,827
125 126 127 128 129 130 131 132	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less Preferred Stock (In 135) Less Account 216.1 Less Account 219 Common Stock	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E)) (Worksheet N, In. 3, col. (E)) (Worksheet N, In. 4, col. (E)) (In 128 - In 129 - In 130 - In 131) 2012 Avg Balances	eet N, In.	* * * * * * * * * * * * * * * * * * * *		Cap Limit		(Note S)	53,842,827
125 126 127 128 129 130 131	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less Preferred Stock (In 135) Less Account 216.1 Less Account 219 Common Stock Avg Long Term Debt (Worksheet N, In. 10, col. (E))	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E)) (Worksheet N, In. 3, col. (E)) (Worksheet N, In. 4, col. (E)) (In 128 - In 129 - In 130 - In 131)	eet N, In.	* * * * * * * * * * * * * * * * * * * *	Actual				53,842,827
125 126 127 128 129 130 131 132	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less Preferred Stock (In 135) Less Account 216.1 Less Account 219 Common Stock Avg Long Term Debt (Worksheet N, In. 10, col. (E)) Avg Preferred Stock (Worksheet N, In. 46, col. (E))	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E)) (Worksheet N, In. 3, col. (E)) (Worksheet N, In. 4, col. (E)) (In 128 - In 129 - In 130 - In 131) 2012 Avg Balances 952,423,9	eet N, In.	* * * * * * * * * * * * * * * * * * * *	Actual 51.48%	Cap Limit 0.00%		(Note S) 5.65%	53,842,827 - Average 904,541,495 6,814,451 897,727,044 Weighted 0.0291
125 126 127 128 129 130 131 132 133 134 135	Long Term Interest Preferred Dividends Development of Common Stock: Proprietary Capital Less Preferred Stock (In 135) Less Account 216.1 Less Account 219 Common Stock Avg Long Term Debt (Worksheet N, In. 10, col. (E))	Preferred Stock Dividends (Worksh (Worksheet N, In. 1, col. (E)) (Worksheet N, In. 2, col. (E)) (Worksheet N, In. 3, col. (E)) (Worksheet N, In. 4, col. (E)) (In 128 - In 129 - In 130 - In 131) 2012 Avg Balances	949 - 044	* * * * * * * * * * * * * * * * * * * *	Actual 51.48% 0.00%	Cap Limit 0.00% 0.00%		(Note S) 5.65% 0.00%	53,842,827

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

<u>Letter</u>

M

Notes

General Notes: a) References to data from FERC Form 1 are indicated as: page#.line#.col.#

- b) If transmission owner ("TO") functionalizes its costs to transmission on its books, those costs are shown above and on any supporting work papers rather than using the allocations above.
- A The revenue credits shall include a) amounts received directly from the SPP for PTP transmission services, b) direct assignment charges for transmission facilities, the cost of which has been included in the TCOS, and c) amounts from customers taking service under grandfathered agreements, where the demand is not included in the rate divisor. Revenues associated with FERC annual charges, gross receipts taxes, ancillary services or facilities excluded from the TCOS are not included as revenue credits. Revenue from Transmission Customers whose coincident peak loads are included in the DIVISOR of the load-ratio share calculation are not included as revenue credits. See Worksheet A for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for facilities and any upgrades.
- This additional revenue requirement is determined using a net plant carrying charge (fixed carrying charge or FCR) approach. Worksheet G shows the calculation of the trued-up revenue requirement for each project, based on an FCR rate caclulated from inputs on this TCOS. Line 15 shows the incremental ARR for projects receiving incentives as accepted by FERC. These individual additional revenue requirements are summed for the true-up year, and included here.
- D The gross plant, accumulated depreciation, and deferred tax balances included in rate base are reduced by the removal of balances related to Asset Retirement Obligations (AROs). This is to comply with the requirements of FERC Rulemaking RM02-7-000.
- The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense as discussed in Note N. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. Transmission allocations are shown on Worksheet C.
- F Identified as being transmission related or functionally booked to transmission.
- G Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission on line 68.
- Consistent with Paragraph 657 of Order 2003-A, the amount on line is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 106.
- I Removes the expense booked to transmission accounts included in the development of OATT ancillary services rates, including all of Account No. 561.
- J Removes cost of transmission service provided by others to the extent such service is not incurred to provide the SPP service at issue.
- K General Plant and Administrative & General expenses may be functionalized based on allocators other then the W/S allocator. Full documentation must be provided.
- Expense reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet D allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
 - This line complies with FERC requirement that Other Post Employment Benefits remain constant from an initial test year. Changes in this base amount can only occur via approval of a 205 filing.
- N Includes only FICA, unemployment, property and other assessments charged in the current year. Gross Receipts tax, Sales & Use taxes, and taxes related to income are excluded.
- The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =
 "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a
 work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that
 elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce
 rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)
 (In 96) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.

Inputs Required: FIT = 35.00%

SIT= 5.49% (State Income Tax Rate or Composite SIT. Worksheet K)
p = 0.00% (percent of federal income tax deductible for state purposes)

- Effective January 1, 2007, Texas instituted a gross margin tax. This tax is calculated on the Texas allocated revenue of the Company, reduced by 30% to derive a "Gross Margin" for the Company. The tax rate of one percent is assessed on the resulting amount. The jurisdictional allocator is based on transmission demand allocators.
- Q Removes plant excluded from the OATT because it does not meet the SPP's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- R Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note Q.
- S Includes functional wages & salaries incurred by parent company service corporation for support of the operating company.
- Long Term Debt cost rate = long-term interest (ln 125) / long term debt (ln 134). Preferred Stock cost rate = preferred dividends (ln 126) / preferred outstanding (ln 135). Common Stock cost rate (ROE) = 11.2%, the rate accepted by FERC in Docket No. ER07-XXX. It includes an additional 50 basis points for remaining a member of the SPP RTO.
- Per Settlement, equity is limited to 52.5% of PSO's Capital Structure. If the percentage of equity exceeds the cap, the excess is included in long term debt in the cap structure. This value cannot change prior to 2/1/11. After this date it can only be changed via an approved 205 or 206 filing.

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Worksheet A - Detail Plant Balances

PUBLIC SERVICE COMPANY OF OKLAHOMA

Lina	(A)	(B)	(C)	(D)	(E)
<u>Line</u> <u>Number</u>	Rate Base Item & Supporting Balance	Source of Data	Balances @ 12/31/2012	<u>Balances</u> 12/31/2011	Average Balance for 2012
NOTE: Func	tional ARO investment and accumulated depreciation b	alances shown below are included in the total func	tional balances shown here.		
Plant Investr	nent Balances				
1	Production Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 46	1,342,905,530	1,314,330,678	1,328,618,104
2	Production Asset Retirement Obligation (ARO)	FF1, page 205&204, Col.(g)&(b), Ins 15,24,34,44	13,330,557	11,967,880	12,649,219
3	Transmission Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	706,917,109	692,643,975	699,780,542
4	Transmission Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	-	-	-
5	Distribution Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 75	1,859,375,106	1,762,031,440	1,810,703,273
6	Distribution Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 74	-	-	-
7	General Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	146,062,810	142,466,387	144,264,599
8	General Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	558,274	489,630	523,952
9	Intangible Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5	40,204,612	47,068,682	43,636,647
10	Total Property Investment Balance	(Sum of Lines: 1, 3, 5, 7, 9)	4,095,465,167	3,958,541,162	4,027,003,165
11	Total ARO Balance (included in total on line 10)	(Sum of Lines: 2, 4, 6, 8)	13,888,831	12,457,510	13,173,171
Accumulated	I Depreciation & Amortization Balances				
12	Production Accumulated Depreciation	FF1, page 219, Ins 20-24, Col. (b)	717,461,660	718,052,893	717,757,277
13	Production ARO Accumulated Depreciation	Company Records	2,553,598	2,260,914	2,407,256
14	Transmission Accumulated Depreciation	FF1, page 219, ln 25, Col. (b)	218,642,096	211,335,183	214,988,640
15	Transmission ARO Accumulated Depreciation	Company Records	-	-	
16	Distribution Accumulated Depreciation	FF1, page 219, ln 26, Col. (b)	506,296,982	491,149,210	498,723,096
17	Distribution ARO Accumulated Depreciation	Company Records	-	-	
18	General Accumulated Depreciation	FF1, page 219, ln 28, Col. (b)	80,042,574	80,630,427	80,336,501
19	General ARO Accumulated Depreciation	Company Records	320,337	302,521	311,429
20	Intangible Accumulated Amortization	FF1, page 200, ln 21, Col. (b)	26,711,833	37,455,396	32,083,615
21	Total Accumulated Depreciation or Amortization	(Sum of Lines: 12, 14, 16, 18, 20)	1,549,155,145	1,538,623,109	1,543,889,127
22	Total ARO Balance (included in total on line 21)	(Sum of Lines: 13, 15, 17, 19)	2,873,935	2,563,435	2,718,685
Generation S	Step-Up Units				
23	GSU Investment Amount	Company Records	17,876,958	18,311,870	18,094,414
24 25	GSU Accumulated Depreciation GSU Net Balance	Company Records (Line 23 - Line 24)	3,285,064 14,591,894	3,492,381 14,819,489	3,388,722 14,705,691
Transmissio	n Plant Excluded from SPP Tariff (see TCOS Note Q)				
23a	Excluded Facilities Investment Amount	Company Records	35,920,833	35,920,833	35,920,833
24a	Excluded Facilities Accumulated Depreciation	Company Records	13,600,177	12,904,973	13,252,575
25a	Excluded Facilities Net Balance	(Line 23a - Line 24a)	22,320,656	23,015,860	22,668,258
<u>Transmissio</u>	n Accumulated Depreciation Net of GSU/Excluded Facil	ities Accumulated Depreciation			
26	Transmission Accumulated Depreciation	(Line 14 Above)	218,642,096	211,335,183	214,988,640
27	Less: GSU & Excl Facilities Acc Dep	(Line 24 + Line 24a Above)	16,885,241	16,397,354	16,641,298
28	Subtotal of Transmission Accumulated Depreciation Net of GSU/Excluded Facilities	(Line 26 - Line 27)	201,756,855	194,937,829	198,347,342
Plant Held Fo	or Future Use				
29	Plant Held For Future Use	FF1, page 214, ln 47, Col. (d)	181,474	78,478	129,976
30	Transmission Plant Held For Future	Company Records	-	-	-

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Projected on 2012 FF1 Balances Worksheet B - Projected Transmission Plant in Service Additions PUBLIC SERVICE COMPANY OF OKLAHOMA

I. Calculation of Composite Depreciation Rate

1	Transmission Plant @ Beginning of Historic Period (2012) (P.206, In 58,(b)):	692,643,975
2	Transmission Plant @ End of Historic Period (2012) (P.207, In 58,(g)):	706,917,109
3		1,399,561,084
4	Average Balance of Transmission Investment	699,780,542
5	Annual Depreciation Expense, Historic TCOS, In 246	13,543,408
6	Composite Depreciation Rate	1.94%
7	Round to 2% to Reflect a Composite Life of 50 Years	2 00%

II. Calculation of Property Placed in Service by Month and the Related Depreciation Expense

8	Month in Service	Capi	italized Balance	Composite Annual Depreciation Rate	Annual preciation	Мо	nthly Depreciation	No. Months Depreciation	First Year Depreciation Expense
9	January	\$	23,939,156	2.00%	\$ 478,783	\$	39,899	11	\$ 438,889
10	February	\$	565,430	2.00%	\$ 11,309	\$	942	10	\$ 9,420
11	March	\$	287,256	2.00%	\$ 5,745	\$	479	9	\$ 4,311
12	April	\$	1,367,828	2.00%	\$ 27,357	\$	2,280	8	\$ 18,240
13	May	\$	2,531,837	2.00%	\$ 50,637	\$	4,220	7	\$ 29,540
14	June	\$	8,025,121	2.00%	\$ 160,502	\$	13,375	6	\$ 80,250
15	July	\$	1,160,385	2.00%	\$ 23,208	\$	1,934	5	\$ 9,670
16	August	\$	1,893,620	2.00%	\$ 37,872	\$	3,156	4	\$ 12,624
17	September	\$	363,105	2.00%	\$ 7,262	\$	605	3	\$ 1,815
18	October	\$	325,243	2.00%	\$ 6,505	\$	542	2	\$ 1,084
19	November	\$	6,083,526	2.00%	\$ 121,671	\$	10,139	1	\$ 10,139
20	December	\$	4,838,483	2.00%	\$ 96,770	\$	8,064	0	\$ -
21	Investment	\$	51,380,989	· :			Depr	eciation Expense	\$ 615,982
III. Plar	nt Transferred								

22	\$ -	<== This input area is for original cost plant
23	\$ -	<== This input area is for accumulated depreciation that may be associated with capital
		expenditures. It would have an impact if a company had assets transferred from a subsidiary.
24 (Ln 7 * Ln 22)	\$ -	<== This input area is for additional Depreciation Expense

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Worksheet C - ADIT Balances used in Projection & True-Up

PUBLIC SERVICE COMPANY OF OKLAHOMA

Line <u>No.</u>	(A)	(B) Description	(C) YE Balance	(E) Exclusions *	(F) 100% Transmission Related	(G) PTD Plant Related	(H) Transmission & Distribution Plant Related	(I) Labor Related	(J) Total Included in Rate base (E)+(F)+(G)+(H)
1101	<u> </u>		<u> </u>		<u></u>	<u></u>		<u></u>	<u>(=):(=):(=):(=):</u>
1 2 3	282.1 282.1 282.1	Account 282 - Form-1 page 274-275, Ln 2 Col. (k) 282 Balance to Use in Projection 2012 Year End Tax Deferrals - WS C-1 Transmission Allocator from Historic TCOS [GP or W/S] Allocated Total	(656,976,392)	53,361,930 0.0000% 0	<u>-</u> <u>100.0000%</u> 0	(707,467,278) 16.3426% (115,618,699)	- <u>27.5462%</u> 0	(2,871,043) 7.4941% (215,159)[(115,833,858)
4 5	282.1 282.1	282 Balance to Use in True-Up 2012 Year End Tax Deferrals - WS C-1 2011 Year End Tax Deferrals - WS C-2	(656,976,392) (642,709,368)	53,361,930 17,860,225	- -	(707,467,278) (658,495,706)	- -	(2,871,043) (2,073,886)	
6 7 8 9		Subtotal Average Balance Transmission Allocator from True-Up TCOS [GP or W/S] Allocated Total	(1,299,685,759) (649,842,880)	71,222,155 35,611,077 <u>0.0000%</u> 0	0 100.0000 <u>%</u> 0	(1,365,962,985) (682,981,492) <u>16.4379%</u> (112,268,100)	0 <u>27.8743%</u> 0	(4,944,929) (2,472,465) <u>7.4853%</u> (185,071)[(112,453,171)
		Account 283 - Form-1 page 276-277, Ln 9, Col (k) 283 Balance to Use in Projection	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			/2 / / 2 - 2 · · ·	(/)	(
10 11 12	283.1 283.1 283.1	2012 Year End Tax Deferrals - WS C-1 Transmission Allocator from Historic TCOS [GP or W/S] Allocated Total	(159,831,378)	(123,260,957) 0.0000% 0	100.0000 <u>%</u> 0	(3,443,801) <u>16.3426%</u> (562,807)	(4,685,961) <u>27.5462%</u> (1,290,806)	(28,440,658) 7.4941% (2,131,374)	(3,984,988)
13 14	283.1 283.1	283 Balance to Use in True-Up 2012 Year End Tax Deferrals - WS C-1 2011 Year End Tax Deferrals - WS C-2	(159,831,378) (180,656,249)	(123,260,957) (140,425,853)	- -	(3,443,801) (9,585,736)	(4,685,961) (3,918,628)	(28,440,658) (26,726,033)	
15 16 17 18		Subtotal Average Balance Transmission Allocator from True-Up TCOS [GP or W/S] Allocated Total	(340,487,627) (170,243,814)	(263,686,810) (131,843,405) <u>0.0000%</u> 0	0 100.0000% 0	(13,029,537) (6,514,769) <u>16.4379%</u> (1,070,894)	(8,604,589) (4,302,294) <u>27.8743%</u> (1,199,236)	(55,166,691) (27,583,346) <u>7.4853%</u> (2,064,695)	(4,334,824)
		Account 190 - Form-1 page 234, Ln 8, Col. (c)							
19 20 21	190.1 190.1 190.1	190 Balance to Use in Projection 2012 Year End Tax Deferrals - Ws C-1 Transmission Allocator from Historic TCOS [GP or W/S] Allocated Total	88,494,193	37,095,979 0.0000% 0	100.0000 <u>%</u> 0	40,615,409 16.3426% 6,637,623	<u>27.5462%</u> 0	10,782,804 <u>7.4941%</u> 808,075	7,445,698
22 23	190.1 190.1	190 Balance to Use in True-Up 2012 Year End Tax Deferrals - Ws C-1 2011 Year End Tax Deferrals - Ws C-2	88,494,193 107,898,936	37,095,979 61,435,227	- -	40,615,409 37,694,687	-	10,782,804 8,769,021	
24 25 26 27		Subtotal Average Balance Transmission Allocator from True-Up TCOS [GP or W/S] Allocated Total	196,393,128 98,196,564	98,531,206 49,265,603 <u>0.0000%</u> 0	- 0 <u>100.0000%</u> 0	78,310,097 39,155,048 <u>16.4379%</u> 6,436,284	- 0 <u>27.8743%</u> 0	19,551,826 9,775,913 <u>7.4853%</u> 731,756	7,168,040
		Account 255 - Form-1 page 266-267			<u>!</u>	Pre 1971 ITC ncludable in Rate			
28 29 30	255.0 255.0 255.0	255 Balance to Use in Projection Acc Defrd ITC - Federal - 12/31/2012 (FF1 p. 267, Ln 2.h) Transmission Allocator from Historic TCOS [GP or W/S] Allocated Total	(182,874)	<u>N/A</u>	<u>N/A</u>	Base (182,874) 16.3426% (29,886)	<u>N/A</u>	<u>N/A</u> [(29,886)
31 32	255.0 255.0	255 Balance to Use in True-Up Acc Defrd ITC - Federal - 12/31/2012 (FF1 p. 267, Ln 2.h) Acc Defrd ITC - Federal - 12/31/2011 (FF1 p. 266, Ln 2.b)	(182,874) (193,479)			(182,874) (193,479)			
33 34 35 36		Subtotal Average Balance Transmission Allocator from True-Up TCOS [GP or W/S] Allocated Total	(376,353) (188,177)	<u>N/A</u>	<u>N/A</u>	(376,353) (188,177) <u>16.4379%</u> (30,932)	<u>N/A</u>	<u>N/A</u> [(30,932)

^{*} Exclusions: Non-utility, fuel supply, off-system sales and other items as specified related to costs not included in rates.

PUBLIC SERVICE COMPANY OF OKLAHOMA DETAIL OF DEFERRED INCOME TAX BALANCES AS OF DECEMBER 31, 2012

Account Mode					Allocation		100%	Allocation Method		
200.000 200.000	Account	Line #	Description	Balance	Allocation Basis	Exclusions	100% Transmission	PTD Plant	T&D	Labor
200000 2000	2821001	210E	LIBERALIZED DEPR-ELIG DFL	(186,118,660)	PTD			(186,118,660)		
11.2072 12.2072 12.2073 12.2				(342,339,595)	PTD			(342,339,595)		
17-12-7-7-7-7-7-7-7-7-7-7-7-7-7-7-7-7-7-								(16,947,671) (1,257,723)		
Section Sect								92,625		
2007 2007	2821001	280H	BK PLANT IN SERVICE - SFAS 143 - ARO	(1,042,567)	Е	(1,042,567)		,		
Section Section Application Base Section Principation Application Appl								(24,034,660) 3,128,711		
Section Sect	2821001	320A	ABFUDC	(5,528,416)	PTD			(5,528,416)		
						11,540,102		8,255,584		
	2821001	510H	PROPERTY TAX-NEW METHOD-BOOK	(66,677)	PTD	,, -		(66,677)		
Section Sect								(22,694,348) (23,914,612)		
1999 1999								(22,290,407)		
2009-09-10-10-10-10-10-10-10-10-10-10-10-10-10-								(11,432,016) (178,005)		
Section Fig. AMANG CHELSEAN MARK AUTHOR STATE										
	2821001	710T	AMORT CHELSEA MUN AUTH-TX	31,820	Е	31,820				
252-001 71-16	2821001	711N	CAPITALIZED SOFTWARE COSTS-TAX	5,993	Labor	100,700				5,993
ASS								(1,413,728) (86,916)		
Section Sect	2821001	712K	CAPITALIZED SOFTWARE COST-BOOK	(2,877,036)	Labor					(2,877,036)
202101 SOUL PROFESSION FOR METEROPHY OF PROFESSION FOR METEROPHY OF THE PROFESSION FOR MET								(65,430,079) 14,486,761		
1950 1960						•				
DEFERRED TAX REGISTS ASSESSED VIRIABLE SERVICES \$42,000.000 \$33,000.0000 \$33,000.0000 \$33,000.0000 \$33,000.0000 \$33,000.0000 \$33,000.0000 \$33,000.0000						644,392		(135,065)		
2831001 OFFICE ALE CONTROLLED PROVIDED BY CONTROLLED PROVIDED BY CONTROLLED BY CON	2821001	960F-XS				33 796 000		(7,853,597)		
MAIN	2821001		TOTAL ELECTRIC ACCOUNT SUBTOTAL	(656,976,392)	L		0	(707,467,278)	0	(2,871,043)
2831010 4388 NITHERST-PUEL OVERLANDER RECOVERY 1,400 E 1,400 A		(absolute value	ue Total Company Amount Ties to FF1 p.275(k) Acct 282 Electric)	656,976,392						
2831001 2838 MINEREST-PUEL OVERVINDEN RECOVERY 1,400 E 1,400	2024004	0140 DOLT	NOL STATE C/E DEF STATE TAY ASSET LET	(0.005.005)		(0.005.005)				
2831010 562H DEPERTED NI FERCOMPANY FAX OL. 0 E 1,154,463		433B				•				
2831001 5966 AGORDUDO BY CHANGEN CUSTS - \$74.5 18 59.000 1		562H		0	Е	0				
2831001 696C ACCRUED DR FERSION COSTS - SP7.8 158 43.455.298 E 43.455.298 C 23.1001	2831001	576E	MARK & SPREAD-DEFL-283-A/L	(5,927)	Е					
2831001 9170						43 455 239				(35,884,776)
2831001 SOU DEPO STONED DAMAGE (2,881,903) PTD (3,881,903) PTD (3,881,903) PTD (4,981,903) PTD (4,981,90	2831001	612D	FUEL INVENTORIES	0	Е	0				
2831001 800M RATE CASE DETO CHISS 0 PTD (2,180,68) 2831001 8382 BK DET. CHARAD SIDE MINORIT EXP (2,180,68) E (4,012)				0 (2.681.903)		0		(2,681,903)		
2831001 898.4 BOOK TAX ABSIS - EM-ALC 283 4,017 E	2831001	630M	RATE CASE DEFD CHGS	0	PTD			0		
2831001 S90C DEFD BK LOSS-NON-AFF SALE-MA 0 E 0						(4,012)		(2,186,685)		
2831001 600N REG ASSET - DEFD CARRY COST ON STRANDED COST				0 4 701 059		0		4 704 059		
2831001 691R								4,791,958 455,747		
2831001 691S						(43 455 230)			(4,685,961)	
2831001 681V						` '				
2831001 683C						· · ·				
2831001 664K	2831001	663C	REG ASSET - GENERATION MAINTENANCE EXP	(1,586,672)	Е	(1,586,672)				
2831001 667F						· · · · · ·				
28310101 996A ACCRO SFAS 106 PST RETIRE EXP 3.397/093 Labor 996B SFAS 106 PST RETIRE EXP - NON-DEDUCT CONT 4.047.025 Labor 0 2831001 913Y BK DEFL - MERCER COSTS 0 E 0 2.095.625 E (2.095.625) E (2.095.62	2831001	667F	REG ASSET-PSO ENVIRONMENTAL COMPLIANCE COSTS	(147,998)	Е	•				
2831001 996D SFAS 106 PST RETIRE EXP. NON-DEDUCT CONT 4047.025 Labor 2831001 9930X STATE NOL CURRENT BENEFIT (2.095.625) E (2.095.625)								(3,822,918)		3,397,093
2831001 960X STATE NOL CURRENT BENEFIT 2,096,625 E 2,095,625	2831001	906D	SFAS 106 PST RETIRE EXP - NON-DEDUCT CONT	4,047,025						4,047,025
100101					E					
1901001	2831002	911Q-DSIT	DSIT ENTRY - NORMALIZED	(111,720,220)	Е	(111,720,220)				
159,831,378 159,831,378 159,831,378 159,831,378 159,831,378 159,831,378 159,831,378 159,831,378 159,831,378 1,596,723 1,596,733 1,596,734			TOTAL ELECTRIC ACCOUNT SUBTOTAL	· · · · · · · · · · · · · · · · · · ·			0	(3 443 801)	(4,685,961)	(28,440,658)
1901001 014A ACCUM DITC-STATE-AC 2550002 1,596,723 E 1,596,723 0 0 0 1,591001 480A UNBILLED REVENUE 3,549,188 E 4,549,189 E	2001	(absolute value				(120,200,001)	<u>_</u>	(0,440,001)	(4,000,001)	(20,440,000)
1901001 014A ACCUM DITC-STATE-AC 2550002 1,596,723 E 1,596,723 0 0 0 1,591001 480A UNBILLED REVENUE 3,549,188 E 4,549,189 E										
1901001 433F										
1901001 520A	1901001	433F	PSO-FUEL O/U RECOVERY-WSLE	0	Е	0				
1901001 602A						3,549,188		133		
1901001 605E SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN 36,177 E 37,173 E E 47,173 E E E E E E E E E						(199,639)				000 007
1901001 605 ACCRD BK SUP, SAVINGS PLAN EXP 370,713 Labor 0 E 0 0 1901001 6050 ACCRUED PSI PLAN EXP 949,963 Labor 1901001 610A BK PROV UNCOLL ACCTS 305,207 PTD 305,2 1901001 610U PROV-TRADING CREDIT RISK - A/L 0 E 0 0 1901001 610U PROV-FAS 157 - A/L (5,011) E										603,337 414,232
1901001 605J EMPLOYER SAVINGS PLAN MATCH 949,963 Labor 1901001 605O ACCRUED PSI PLAN EXP 949,963 Labor 305,207 PTD 305,207 1901001 610A BK PROV UNCOLL ACCTS 305,207 PTD 305,207 1901001 610U PROV-TRADING CREDIT RISK - A/L 0 E 0 0 0 1901001 610V PROV-TRADING CREDIT RISK - A/L (5,011) E (1901001	605F		36,177	Е	36,177				370,713
1901001	1901001	605J	EMPLOYER SAVINGS PLAN MATCH	0	Е	0				
1901001 610U PROV-TRADING CREDIT RISK - A/L (5,011) E (5,011) E (5,011)								305,207		949,963
1901001 612Y ACCRD COMPANYWIDE INCENTV PLAN 3,143,277 Labor 1901001 613E ACCRUED BOOK VACATION PAY 2,048,342 Labor 1901001 613K (ICDP)-INCENTIVE COMP DEFERRAL PLAN 577,872 Labor 1901001 613Y ACCRUED BK SEVERANCE BENEFITS 228,058 Labor 1901001 615A ACCRUED INTEREST EXP-STATE 0 E 0 (952,269) 1901001 615B ACCRUED INTEREST EXP-STATE 0 E (952,269) 1901001 615B ACCRUED INTEREST-LONG-TERM - FIN 48 (952,269) E (952,269) 1901001 615B-MJE ACCRD INTERST-TAX RES-L/T-FIN 48-MJE 1,009,033 E 1,009,033 1901001 615C ACCRUED INTEREST-SHORT-TERM - FIN 48 236,365 E 236,365 1901001 615C ACCRUED INTERST-TAX RES-S/T-FIN 48-MJE (197,866) E (197,866) 1901001 615C BK DFL RAIL TRANS REV/EXP 0 E 0 0 1901001 638C TAX > BOOK BASIS - EMA-A/C 190 0 E 0 0 1901001 639A DEFD BK GAIN-NON-AFF SALE-EMA (8,884) E (8,884) 1901001 6411 ADVANCE RENTAL INC (CUR MO) 281,120 PTD 281,11 1901001 652G REG LIAB-UNREAL MTM GAIN-DEFL (1,871,456) E (1,871,456) 1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9101001 700B TAX DEFL - FRAN COSTS 964 PTD 9101001 700B TAX DEFL - FRAN COSTS 964 PTD 9101001 906F ACCRD DEFB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor	1901001	610U	PROV-TRADING CREDIT RISK - A/L	0	Е	0		550,201		
1901001 613E ACCRUED BOOK VACATION PAY 2,048,342 Labor 1901001 613K (ICDP)-INCENTIVE COMP DEFERRAL PLAN 577,872 Labor 1901001 613Y ACCRUED BK SEVERANCE BENEFITS 228,058 Labor 1901001 615A ACCRUED INTEREST EXP -STATE 0 E 0 1901001 615B ACCRUED INTERST-LONG-TERM - FIN 48 (952,269) E (952,269) 1901001 615B-MJE ACCRD INTRST-TAX RES-L/T-FIN 48-MJE 1,009,033 E 1,009,033 1901001 615C ACCRUED INTRST-TAX RES-S/T-FIN 48-MJE (197,866) E (236,365 1901001 615C MJE ACCRD INTRST-TAX RES-S/T-FIN 48-MJE (197,866) E (197,866) 1901001 615C MJE ACCRD INTRST-TAX RES-LYEXP 0 E 0 1901001 638C TAX > BOOK BASIS - EMA-A/C 190 0 E 0 1901001 639A DEFD BK GAIN-NON-AFF SALE-EMA (8,884) E (8,884) 1901001 652G REG LIAB-UNREAL MTM GAIN-DEFL						(5,011)				3,143,277
1901001 613Y ACCRUED BK SEVERANCE BENEFITS 228,058 Labor 1901001 615A ACCRUED INTEREST EXP -STATE 0 E 0 0 0 0 0 0 0	1901001	613E	ACCRUED BOOK VACATION PAY	2,048,342	Labor					2,048,342
1901001 615A ACCRUED INTEREST EXP - STATE 0 E 0 1901001 615B ACCRUED INTEREST - LONG-TERM - FIN 48 (952,269) E (952,269) 1901001 615B-MJE ACCRD INTRST-TAX RES-L/T-FIN 48-MJE 1,009,033 E 1,009,033 1901001 615C ACCRUED INTEREST-SHORT-TERM - FIN 48 236,365 E 236,365 1901001 615C ACCRD INTRST-TAX RES-S/T-FIN 48-MJE (197,866) E (197,866) 1901001 615O BK DFL RAIL TRANS REV/EXP 0 E 0 1901001 638C TAX > BOOK BASIS - EMA-A/C 190 0 E 0 1901001 639A DEFD BK GAIN-NON-AFF SALE-EMA (8,884) E (8,884) 1901001 641I ADVANCE RENTAL INC (CUR MO) 281,120 PTD 281,120 1901001 652G REG LIAB-UNREAL MTM GAIN-DEFL (1,871,456) E (1,871,456) 1901001 663U REG ASSET-DEFERRED BASE LOAD PUR PWR 0 E 0 1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9 1901001 712P PROF SERVICES CAPITALIZED-TX 1,681 PTD 1,681 1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor										577,872 228,058
1901001 615B-MJE ACCRD INTRST-TAX RES-L/T-FIN 48-MJE 1,009,033 E 1,009,033 1901001 615C ACCRUED INTEREST-SHORT-TERM - FIN 48 236,365 E 236,365 1901001 615C-MJE ACCRD INTRST-TAX RES-S/T-FIN 48-MJE (197,866) E (197,866) 1901001 615O BK DFL RAIL TRANS REV/EXP 0 E 0 1901001 638C TAX > BOOK BASIS - EMA-A/C 190 0 E 0 1901001 639A DEFD BK GAIN-NON-AFF SALE-EMA (8,884) E (8,884) 1901001 641I ADVANCE RENTAL INC (CUR MO) 281,120 PTD 281,1 1901001 652G REG LIAB-UNREAL MTM GAIN-DEFL (1,871,456) E (1,871,456) 1901001 663U REG ASSET-DEFERRED BASE LOAD PUR PWR 0 E 0 1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9 1901001 712P PROF SERVICES CAPITALIZED-TX 1,681 PTD 1,6 1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823	1901001	615A	ACCRUED INTEREST EXP -STATE	0	Е	(0E2 200)				
1901001 615C-MJE ACCRD INTRST-TAX RES-S/T-FIN 48-MJE (197,866) E (197,866) 1901001 615O BK DFL RAIL TRANS REV/EXP 0 E 0 1901001 638C TAX > BOOK BASIS - EMA-A/C 190 0 E 0 1901001 639A DEFD BK GAIN-NON-AFF SALE-EMA (8,884) E (8,884) 1901001 641I ADVANCE RENTAL INC (CUR MO) 281,120 PTD 281,1 1901001 652G REG LIAB-UNREAL MTM GAIN-DEFL (1,871,456) E (1,871,456) 1901001 663U REG ASSET-DEFERRED BASE LOAD PUR PWR 0 E 0 1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9 1901001 712P PROF SERVICES CAPITALIZED-TX 1,681 PTD 1,6 1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor	1901001	615B-MJE	ACCRD INTRST-TAX RES-L/T-FIN 48-MJE	1,009,033	Е	1,009,033				
1901001 615O BK DFL RAIL TRANS REV/EXP 0 E 0 1901001 638C TAX > BOOK BASIS - EMA-A/C 190 0 E 0 1901001 639A DEFD BK GAIN-NON-AFF SALE-EMA (8,884) E (8,884) 1901001 641I ADVANCE RENTAL INC (CUR MO) 281,120 PTD 281,1 1901001 652G REG LIAB-UNREAL MTM GAIN-DEFL (1,871,456) E (1,871,456) 1901001 663U REG ASSET-DEFERRED BASE LOAD PUR PWR 0 E 0 1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9 1901001 712P PROF SERVICES CAPITALIZED-TX 1,681 PTD 1,6 1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor										
1901001 639A DEFD BK GAIN-NON-AFF SALE-EMA (8,884) E (8,884) 1901001 641I ADVANCE RENTAL INC (CUR MO) 281,120 PTD 281,120 1901001 652G REG LIAB-UNREAL MTM GAIN-DEFL (1,871,456) E (1,871,456) 1901001 663U REG ASSET-DEFERRED BASE LOAD PUR PWR 0 E 0 1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9 1901001 712P PROF SERVICES CAPITALIZED-TX 1,681 PTD 1,681 1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor	1901001	6150	BK DFL RAIL TRANS REV/EXP	(137,000)	Е	(137,000)				
1901001 641I ADVANCE RENTAL INC (CUR MO) 281,120 PTD 281,11 1901001 652G REG LIAB-UNREAL MTM GAIN-DEFL (1,871,456) E (1,871,456) 1901001 663U REG ASSET-DEFERRED BASE LOAD PUR PWR 0 E 0 1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9 1901001 712P PROF SERVICES CAPITALIZED-TX 1,681 PTD 1,6 1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor				(8 884)	_	0 (8 884)				
1901001 663U REG ASSET-DEFERRED BASE LOAD PUR PWR 0 E 0 1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9 1901001 712P PROF SERVICES CAPITALIZED-TX 1,681 PTD 1,6 1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor	1901001	6411	ADVANCE RENTAL INC (CUR MO)	281,120	PTD			281,120		
1901001 700B TAX DEFL - FRAN COSTS 964 PTD 9 1901001 712P PROF SERVICES CAPITALIZED-TX 1,681 PTD 1,681 1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor						(1,871,456) 0				
1901001 906F ACCRD OPEB COSTS - SFAS 158 3,199,823 E 3,199,823 1901001 906K ACCRD SFAS 112 PST EMPLOY BEN 2,447,010 Labor	1901001	700B	TAX DEFL - FRAN COSTS		PTD			964 1,681		
	1901001	906F	ACCRD OPEB COSTS - SFAS 158	3,199,823	Е	3,199,823		1,001		
1901001 906P ACCRD BOOK ARD EXPENSE - SEAS 1/3 7 600 5/7 E 7 600 5/7	1901001 1901001	906K 906P	ACCRD SFAS 112 PST EMPLOY BEN ACCRD BOOK ARO EXPENSE - SFAS 143			7,699,547				2,447,010
1901001 911F-FIN48 FIN 48 DSIT (51,904) E (51,904)	1901001	911F-FIN48	FIN 48 DSIT	(51,904)	Е					
1901001 911Q-DSIT DSIT ENTRY - NORMALIZED 39,102,077 PTD 39,102,0 1901001 911V ACCRD SIT TX RESERVE-LNG-TERM-FIN 48 (274,494) E (274,494)						(274 494)		39,102,077		
1901001 911V-MJE ACCRD SIT TX RES-LNG-TERM-FIN 48-MJE 693,998 E 693,998	1901001	911V-MJE	ACCRD SIT TX RES-LNG-TERM-FIN 48-MJE	693,998	Е	693,998				
1901001 911W ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48 53,655 E 53,655 1901001 940X IRS CAPITALIZATION ADJUSTMENT 924,227 PTD 924,2						53,655		924,227		
1901001 960E AMT CREDIT - DEFERRED 20,053 E 20,053						20,053		•		
1901002 014A ACCUM DITC-STATE-A/C 2550002-MJE 16,194,103 E 16,194,103										
1901002 014C-DSIT NOL-STATE C/F-DEF STATE TAX ASSET-L/T 5,987,500 E 5,987,500	1901002	014C-DSIT	NOL-STATE C/F-DEF STATE TAX ASSET-L/T	5,987,500		5,987,500				
1901 TOTAL ELECTRIC ACCOUNT SUBTOTAL 88,494,193 37,095,979 0 40,615,4 (Total Company Amount Ties to FF1 p.234(c) Electric) 88,494,193	1901					37,095,979	0	40,615,409	0	10,782,804

Worksheet C-2 - ADIT & ITC Details

PUBLIC SERVICE COMPANY OF OKLAHOMA DETAIL OF DEFERRED INCOME TAX BALANCES AS OF DECEMBER 31, 2011

					AS OF DECEMBER 31	, 2011			
				Allocation		100%	Allocation Method		
Account	Line #	Description	Balance	Basis	Exclusions	Transmission	PTD Plant	T&D	Labor
2821001 2821001	210E 230A	LIBERALIZED DEPR-ELIG DFL ACRS BENEFIT NORMALIZED	(186,118,660) (307,135,363)	PTD PTD			(186,118,660) (307,135,363)		
2821001	230G	ACRS-ACCRUED BK REMOVAL COSTS	(16,947,671)	PTD			(16,947,671)		
2821001 2821001	230J	CAPD INTEREST-SECTION 481(a)-CHANGE IN METHD RELOCATION CST-SECTION 481(a)-CHANGE IN METHD	(1,257,723) 92,625	PTD PTD			(1,257,723) 92,625		
2821001 2821001	230X 280H	R & D DEDUCTION - SEC 174 BK PLANT IN SERVICE - SFAS 143 - ARO	(1,755,807) (1,715,677)	PTD E	(1,715,677)		(1,755,807)		
2821001	295A	GAIN/LOSS ON ACRS/MACRS PROPERTY	(27,571,065)	PTD	(1,1.10,01.1)		(27,571,065)		
2821001 2821001	295C 320A	GAIN/LOSS-ACRS/MACRS-BK/TX UNIT PROP ABFUDC	2,346,532 (5,144,163)	PTD PTD			2,346,532 (5,144,163)		
2821001 2821001	380J 390A	INT EXP CAPITALIZED FOR TAX CIAC - BOOK RECEIPTS	7,591,603 10,507,506	PTD E	10,507,506		7,591,603		
2821001	510H	PROPERTY TAX-NEW METHOD-BOOK	(66,677)	PTD	10,007,000		(66,677)		
2821001 2821001	532A 532C	PERCENT REPAIR ALLOWANCE BOOK/TAX UNIT OF PROPERTY ADJ	(22,694,348) (16,364,522)	PTD PTD			(22,694,348) (16,364,522)		
2821001 2821001	532D 534A	BK/TX UNIT OF PROPERTY ADJ-SEC 481 ADJ CAPITALIZED RELOCATION COSTS	(22,290,407) (10,242,830)	PTD PTD			(22,290,407) (10,242,830)		
2821001	630R	ACCRD ENERGY CONSERV EXPEND	(178,005)	PTD	40.000.444		(178,005)		
2821001 2821001	651A 710H	IMPAIRED ASSETS RES-FAS 121-BK AMORT ELEC PLT ACQ ADJS	10,996,441 51,037	E E	10,996,441 51,037				
2821001 2821001	710T 710U	AMORT CHELSEA MUN AUTH-TX CHELSEA ACQUSITON ADJ-25 YR TX	31,820 134,172	E E	31,820 134,172				
2821001	710V	PLANT ACQUSITION ADJ-CSIAP-TX	150,789	Е	150,789				4.000
2821001 2821001	711N 711O	CAPITALIZED SOFTWARE COSTS-TAX BOOK LEASES CAPITALIZED FOR TAX	4,992 (1,361,058)	Labor PTD			(1,361,058)		4,992
2821001 2821001	711R 712K	CAPITALIZED LEASES - A/C 1011 ASSETS CAPITALIZED SOFTWARE COST-BOOK	(86,916) (2,078,878)	PTD Labor			(86,916)		(2,078,878)
2821001	910K	REMOVAL CST	(55,480,422)	PTD			(55,480,422)		(2,0.0,0.0)
2821001 2821001	910N 930A	ACCRUED BK REMOVAL COST - ACRS BOOK > TAX BASIS-PRTSHP INVEST	14,486,761 (2,940,256)	PTD E	(2,940,256)		14,486,761		
2821001 2821001	930J 940I	PROV FOR WRITEDOWN OF INVEST 1985-1987 IRS AUDIT SETTLEMENT	644,392 (135,065)	E PTD	644,392		(135,065)		
2821001	960F-XS	EXCESS ADFIT 282	(8,182,527)	PTD	47.000.005		(8,182,527)		(0.070.000)
2821001	(absolute va	TOTAL ELECTRIC ACCOUNT SUBTOTAL alue Total Company Amount Ties to FF1 p.275(k) Acct 282 Electric)	(642,709,368) 642,709,368		17,860,225	0	(658,495,706)	0	(2,073,886)
2831001	433B	INTEREST-FUEL OVER/UNDER RECOVERY	(637,505)	E	(637,505)				
2831001 2831001	562H 575E	DEFERRED INTERCOMPANY TAX G/L MTM BK GAIN-A/L-TAX DEFL	317 (130,861)	E E	317 (130,861)				
2831001 2831001	576E 605B	MARK & SPREAD-DEFL-283-A/L ACCRUED BK PENSION EXPENSE	(31,322) (34,610,674)	E Labor	(31,322)				(34,610,674)
2831001	605C	ACCRUED BK PENSION COSTS - SFAS 158	47,588,495	Е	47,588,495				(01,010,011)
2831001 2831001	612D 612E	FUEL INVENTORIES ACCRUED RAIL SETTLEMENT - BNFS	(675,209) 0	E E	(675,209) 0				
2831001 2831001	630J 630M	DEFD STORM DAMAGE RATE CASE DEFD CHGS	(7,121,118) (75,519)	PTD PTD			(7,121,118) (75,519)		
2831001	632U	BK DEFL-DEMAND SIDE MNGMT EXP	(1,537,978)	PTD	(0.005)		(1,537,978)		
2831001 2831001	638A 639C	BOOK > TAX BASIS - EMA-A/C 283 DEFD BK LOSS-NON-AFF SALE-EMA	(9,885) (4,018,298)	E E	(9,885) (4,018,298)				
2831001 2831001	640K 660M	DEFD TAX GAIN-EPA AUCTION REG ASSET - CARRY COST ON STRANDED COST	0 2,473,094	E PTD	0		2,473,094		
2831001	660N	REG ASSET - DEFD CARRY COST ON STRANDED COST	1,064,124	PTD			1,064,124	(0.040.000)	
2831001 2831001	660R 661R	REG ASSET - DEFD ACCR VEGETATION MGT EXPENSE REG ASSET - SFAS 158 - PENSIONS	(3,918,628) (47,588,495)	T&D E	(47,588,495)			(3,918,628)	
2831001 2831001	661S 661T	REG ASSET - SFAS 158 - SERP REG ASSET - SFAS 158 - OPEB	(94,426) (14,720,223)	E E	(94,426) (14,720,223)				
2831001	661U	REG ASSET - LAWTON SETTLEMENT	0	Е	0				
2831001 2831001	661V 663B	REG ASSET - RED ROCK FACILITY REG ASSET - DEFD CAPACITY COSTS	(2,002,955)	E E	(2,002,955) 0				
2831001 2831001	663C 663D	REG ASSET - GENERATION MAINTENANCE EXP REG ASSET - NOx EXPENSE	(2,146,671) (106,664)	E E	(2,146,671) (106,664)				
2831001	664K	REG ASSET-PSO ICE STORM EXPENSES	(4,628,174)	Е	(4,628,174)				
2831001 2831001	900A 906A	LOSS ON REACQUIRED DEBT ACCRD SFAS 106 PST RETIRE EXP	(4,388,339) 3,844,920	PTD Labor			(4,388,339)		3,844,920
2831001 2831001	906D 913Y	SFAS 106 PST RETIRE EXP - NON-DEDUCT CONT BK DEFL - MERGER COSTS	4,039,721	Labor E	0				4,039,721
2831001	960X	STATE NOL CURRENT BENEFIT	(8,072,138)	E	0 (8,072,138)				
2831002	DSIT	DSIT ENTRY - NORMALIZED	(103,151,839)	Е	(103,151,839)				
2831		TOTAL ELECTRIC ACCOUNT SUBTOTAL	(180,656,249)		(140,425,853)	0	(9,585,736)	(3,918,628)	(26,726,033)
2031	(absolute va	alue Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric)	180,656,249		(140,423,033)		(3,303,130)	(3,310,020)	(20,120,033)
1901001 1901001	011C 014A	NOL & TAX CREDIT C/F - DEF TAX ASSET- MJE ACCUM DITC-STATE-A/C 2550002	6,743,696 1,623,253	E E	6,743,696 1,623,253				
1901001	433F	PSO-FUEL O/U RECOVERY-WSLE	(1,944,689)	Е	(1,944,689)				
1901001 1901001	460A 520A	UNBILLED REVENUE PROVS POSS REV REFDS-A/L	7,074,507 0	E PTD	7,074,507		0		
1901001 1901001	576F 602A	MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP	421,929 222,072	E Labor	421,929				222,072
1901001	605E	SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN	477,073	Labor	04.400				477,073
1901001 1901001	605F 605I	ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP	94,426 343,654	E Labor	94,426				343,654
1901001 1901001	605J 605O	EMPLOYER SAVINGS PLAN MATCH ACCRUED PSI PLAN EXP	953,196	E Labor	0				953,196
1901001	610A	BK PROV UNCOLL ACCTS	272,005	PTD	4.000		272,005		555,100
1901001 1901001	610U 610V	PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L	1,006 (4,218)	E	1,006 (4,218)				
1901001 1901001	612Y 613E	ACCRD COMPANYWIDE INCENTV PLAN ACCRUED BOOK VACATION PAY	1,697,383 2,109,944	Labor Labor					1,697,383 2,109,944
1901001	613K	(ICDP)-INCENTIVE COMP DEFERRAL PLAN	535,375	Labor					535,375
1901001 1901001	613Y 615A	ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE	598,467	Labor E	598,467				0
1901001 1901001	615B	ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST-LONG-TERM - FIN 48	(598,467) (890,744)	E E	(598,467) (890,744)				
1901001	615B-MJE	ACCRD INTRST-TAX RES-L/T-FIN 48-MJE	1,009,033	Е	1,009,033				
1901001 1901001		ACCRUED INTEREST-SHORT-TERM - FIN 48 ACCRD INTRST-TAX RES-S/T-FIN 48-MJE	173,448 (197,866)	E E	173,448 (197,866)				
1901001 1901001	615O 638C	BK DFL RAIL TRANS REV/EXP TAX > BOOK BASIS - EMA-A/C 190	4,018,298	E E	0 4,018,298				
1901001	639A	DEFD BK GAIN-NON-AFF SALE-EMA	(8,884)	Е	(8,884)		075.000		
1901001 1901001	641I 652G	ADVANCE RENTAL INC (CUR MO) REG LIAB-UNREAL MTM GAIN-DEFL	275,296 (590,332)	PTD E	(590,332)		275,296		
1901001 1901001	663U 700B	REG ASSET-DEFERRED BASE LOAD PUR PWR TAX DEFL - FRAN COSTS	0 27,766	E PTD	O O		27,766		
1901001	712P	PROF SERVICES CAPITALIZED-TX	1,681	PTD	44.700.000		1,681		
1901001 1901001	906F 906K	ACCRD OPEB COSTS - SFAS 158 ACCRD SFAS 112 PST EMPLOY BEN	14,720,223 2,430,323	E Labor	14,720,223				2,430,323
1901001 1901001	906P	ACCRD BOOK ARO EXPENSE - SFAS 143 3 FIN 48 DSIT	6,868,120 (85,469)	E E	6,868,120 (85,469)				
1901001	911Q-DSIT	DSIT ENTRY - NORMALIZED	36,103,144	PTD	,		36,103,144		
1901001 1901001	911V 911V-MJE	ACCRD SIT TX RESERVE-LNG-TERM-FIN 48 ACCRD SIT TX RES-LNG-TERM-FIN 48-MJE	304,041 693,998	E E	304,041 693,998				
1901001 1901001	911W 940X	ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48 IRS CAPITALIZATION ADJUSTMENT	(91,183) 1,014,796	E PTD	(91,183)		1,014,796		
1901001	960E	AMT CREDIT - DEFERRED	127,965	E	127,965		1,014,790		
1901002	014A	ACCUM DITC-STATE-A/C 2550002-MJE	13,302,528	E	13,302,528				
1901002	014C	NOL-STATE C/F-DEF STATE TAX ASSET-MJE-L/T	8,072,138	Е	8,072,138				
1901		TOTAL ELECTRIC ACCOUNT SUBTOTAL (Total Company Amount Ties to EE1 n 234(c) Electric)	107,898,936		61,435,227	0	37,694,687	0	8,769,021
		(Total Company Amount Ties to FF1 p.234(c) Electric)	107,898,936						

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Worksheet D - Working Capital Rate Base Adjustments PUBLIC SERVICE COMPANY OF OKLAHOMA

				PUBLIC SERVICE COM	PANY OF OKLAHOMA				
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)
			<u>Mate</u>	rials & Supplies					
<u>Line</u> <u>Number</u> 1	:		<u>Source</u>	Balance @_ <u>December 31, 2012</u> FF1, p. 227, Col. (c)	Balance @_ December 31, 2011 FF1, p. 227, Col. (b)	Average Balance for Rate Year 2012			
2		Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c & b)	419,745	754,222	586,984			
3		General Materials & Supplies	FF1, p. 227, ln 11, Col. (c & b)	324,917	489,375	407,146			
4		Stores Expense (Undistributed)	FF1, p. 227, ln 16, Col. (c & b)	0	0	-			
	Prepayment Balance Summary								
			Average of YE Balance	Excludable Balances	100% Transmission <u>Related</u>	Plant <u>Related</u>	Labor <u>Related</u>	Total Included in Rate Base (E)+(F)+(G)	
5 6		Totals as of December 31, 2012 Totals as of December 31, 2011	7,087,189 8,812,637	(107,233,277) (101,121,588)	0	2,904,855 3,490,363	111,415,611 106,443,862	114,320,466 109,934,225	_
7		Average Balance	7,949,913	(104,177,433)	0	3,197,609	108,929,737	112,127,346	-
			Prepayments Account 165	- Balance @ 12/31/2		0.548195905	0.451804095		
	Acc. No.	<u>Description</u>	2012 <u>YE Balance</u>	Excludable <u>Balances</u>	100% Transmission <u>Related</u>	Plant <u>Related</u>	Labor <u>Related</u>	Total Included in Rate Base (E)+(F)+(G)	
8 9	1650001 1650004	Prepaid Insurance Prepaid Interest	1,047,117 0	0		574,025 0	473,092	1,047,117 -	Plant: Property Ins, Labor Related: Gen Liability Ins, D&O Ins, Workers Comp Ins. Prepaid Executive Life Insurance
10 11 12 13 14 15 16	1650005 1650006 1650010 165001112 165001212 1650014	Other Prepayments Prepaid Carry Cost-Factored AR Prepaid Pension Benefits Prepaid Sales Taxes Prepaid Use Taxes FAS 158 Qual Contra Asset	528,200 51,080 110,582,517 1,500,000 150,000 (110,582,517)	0 528,200 51,080 (110,582,517)		1,500,000 150,000	110,582,517	- - 110,582,517 1,500,000 150,000	Non-Cash Offset Excludable from Rate Base
17	1650016 1650021 1650023 1650028	FAS 112 ASSETS Prepaid Insurance - EIS Prepaid Leases Trinity Rail Car Lease - Non-current	1,040,832 1,224,163 1,545,797	1,224,163 1,545,797		680,830	360,003	1,040,832 - -	SFAS 158 Offset Plant: EIS Property Ins, Labor Related: EIS Gen Liability Ins.
18		Subtotal - Form 1, p 111.57.c	7,087,189	(107,233,277)	0	2,904,855	111,415,611	114,320,466	-
	Prepayments Account 165 - Balance @ 12/31/2011 100% Total Included 2011 Excludable Transmission Plant Labor in Rate Base								
19	Acc. No.	<u>Description</u>	YE Balance	<u>Balances</u>	Related	Related	Related	(E)+(F)+(G)	
20 21 22 23	1650001 165001206 1650028 1650005	Prepaid Insurance Prepaid Taxes Trinity Railcar Lease Prepaid Employee Benefits	959,827 2,150,000 2,742,653 2,940	0 0 2,742,653 0		521,562 2,150,000	438,265 2,940	959,827 2,150,000 - 2,940	Prepaid Facility Fee on 1.5B Securitization
24 25 26 27 28 29	1650006 1650009 1650010 1650014 1650023 1650021	Other Prepayments Prepaid Carry Cost-Factored AR Prepaid Pension Benefits FAS 158 Qual Contra Asset Prepaid Leases Prepaid Insurance - EIS	539,276 98,184 105,659,689 (105,659,689) 1,157,988 1,161,769	1,157,988		818,801	105,659,689	- 105,659,689 - - - 1,161,769	Fees AR Factoring - Retail Only
30		Subtotal - Form 1, p 111.57.c	8,812,637	(101,121,588)		3,490,363	106,443,862	109,934,225	_

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Worksheet E - IPP Credits PUBLIC SERVICE COMPANY OF OKLAHOMA

<u>Line</u> Number	(A) <u>Description</u>	(B) <u>2012</u>
1	Net Funds from IPP Customers @ 12/31/2011 (2012 FORM 1, P269, (B))	6,747,342
2	Interest Accrual (company records)	193,255
3	Revenue Credits to Generators (company records)	(1,609,455)
4 5 6	Other Adjustments (company records) Accounting Adjustment	(1,718,454)
7	Net Funds from IPP Customers 12/31/2012 (2012 FORM 1, P269, (F))	3,612,688
8	Average Balance for 2012 ((ln 1 + ln 7)/2)	5,180,015

AEP West SPP Member Companies

2013 Cost of Service Formula Rate Projected on 2012 FF1 Balances

Worksheet F - Calculation of PROJECTED Annual Revenue Requirement for BPU and Special-billed Projects
Based on a Carrying Charge Derived from Historic 2012 Data

PUBLIC SERVICE COMPANY OF OKLAHOMA

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

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

ROE w/o incentives (Projected	TCOS, In 149)		11.20%		
Project ROE Incentive Adder (E	nter as whole num	ber)	0 ba	asis points	
ROE with additional 0 basis poir	nt incentive		11.20% <	==Incentive ROE	Cannot Exceed 12.45%
Determine R (cost of long term	debt, cost of prefer	red stock and percent is	s from Projected TCOS, In	ns 147 through 149))
	<u>%</u>	<u>Cost</u>	Weighted cost		
Long Term Debt	51.17%	0.0563	0.0288		
Preferred Stock	0.00%	0.0000	0.0000		
Common Stock	48.83%	0.1120	<u>0.0547</u>		
		R =	0.0835		

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

Rate Base (Projected TCOS, In 75)	389,418,114
R (from A. above)	0.0835
Return (Rate Base x R)	32.512.523

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

Return (from B. above)	32,512,523
Tax Rate (Projected TCOS, In 109)	38.57%
EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =	41.12%
Income Tax Calculation (Return x EIT)	13,368,479
ITC Adjustment (Projected TCOS, In 116)	(251,446)
Income Taxes	13,117,033

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

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

Net Revenue Requirement (Projected TCOS, In 123)	82,505,038
Return (Projected TCOS, In 118)	32,512,523
Income Taxes (Projected TCOS, In 117)	13,117,033
Gross Margin Taxes (Projected TCOS, In 122)	-
Net Revenue Requirement, Less Return and Taxes	36,875,481

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

Net Revenue Requirement, Less Return and Taxes	36,875,481
Return (from I.B. above)	32,512,523
Income Taxes (from I.C. above)	13,117,033
Net Revenue Requirement, with 0 Basis Point ROE increase	82,505,038
Gross Margin Tax with Basis Point ROE Increase (II C. below)	
Revenue Requirement w/ Gross Margin Taxes	82,505,038
Less: Depreciation (Projected TCOS, In 95)	12,582,565
Net Rev. Req, w/0 Basis Point ROE increase, less Depreciation	69,922,473

C. Determine Gross Margin Tax with hypothetical 0 basis point increase in ROE.

Net Revenue Requirement before Gross Margin Taxes, with 0	82,505,038
Basis Point ROE increase (II B. above)	
Apportionment Factor to Texas (Worksheet K, In 12)	0.00%
Apportioned Texas Revenues	-
Taxable Percentage of Revenue (70%)	70%_
Taxable, Apportioned Margin	-
Texas Gross Margin Tax Rate	1%_
Texas Gross Margin Tax Expense	-
Gross-up Required for Gross Margin Tax Expense	
Total Additional Gross Margin Tax Revenue Requirement	

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

Net Transmission Plant (Projected TCOS, Ins 46, 47, 48, 49, 51) Net Revenue Requirement, with 0 Basis Point ROE increase FCR with 0 Basis Point increase in ROE	489,629,991 82,505,038 16.85%
Net Rev. Req, w / 0 Basis Point ROE increase, less Dep.	69,922,473
FCR with 0 Basis Point ROE increase, less Depreciation	14.28%
FCR less Depreciation (Projected TCOS, In 12)	<u>14.28%</u>
	0.00%

Incremental FCR with 0 Basis Point ROE increase, less Depreciation III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Period (P.206, In 58)	692,643,975	<==From Input on Worksheet B
Transmission Plant @ End of Period (P.207, In 58)	706,917,109	<==From Input on Worksheet B
	1,399,561,084	•
Transmission Plant Average Balance for 2012	699,780,542	
Annual Depreciation Expense (Historic TCOS, In 246)	13,543,408	
Composite Depreciation Rate	1.94%	
Depreciable Life for Composite Depreciation Rate	51.67	
Round to nearest whole year	52	

AEP - SPP Formula Rate PSO TCOS - WS F Page: 29 of 68

SUMMARY OF PROJECTED ANNUAL BASE PLAN AND NON-BASE PLAN REVENUE REQUIREMENTS					
		Rev Require	W Incentives	Incentive Amounts	
PROJECTED YEAR	2013	6,696,309	6,696,309	\$ -	

Note: Review formulas in summary to ensure the proper year's revenue requirement is being accumulated for each project from the tables below.

NOTE: PART IV --- BPU Project Tables are contained in separate *.xls file

I. Calculate Return and Income Taxes with 0 basis point ROE increase for Projects Qualified for Incentive.

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

ROE w/o incentives (True-L	Jp TCOS, In 136)	11.20%	
Project ROE Incentive Adde	r (Enter as whole	e number)	0	basis points
ROE with additional 0 basis point incentive		11.20%	<==Incentive ROE Cannot Exceed 12.45%	
Determine R (cost of long te	erm debt, cost of	preferred stock and perce	nt is from True-Up TCC	DS, Ins 134 through 136)
	<u>%</u>	<u>Cost</u>	Weighted cost	
Long Term Debt	51.48%	0.0565	0.0291	
Preferred Stock	0.00%	0.0000	0.0000	
Common Stock	48.52%	0.1120	0.0543	

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

Rate Base (True-Up TCOS, In 63)	348,883,301
R (from A. above)	0.0834
Return (Rate Base x R)	29,113,021

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

Return (from B. above)	29,113,021
Tax Rate (True-Up TCOS, In 106)	38.57%
EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =	40.88%
Income Tax Calculation (Return x EIT)	11,902,061
ITC Adjustment (True-Up TCOS, In 103)	(255,418)
Income Taxes	11,646,642

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

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

Net Revenue Requirement (True-Up TCOS, In 110)	76,861,533
Return (True-Up TCOS, In 105)	29,113,021
Income Taxes (True-Up TCOS, In 104)	11,646,642
Gross Margin Taxes (True-Up TCOS, In 109)	
Net Revenue Requirement, Less Return and Taxes	36.101.870

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

Net Revenue Requirement, Less Return and Taxes	36,101,870
Return (from I.B. above)	29,113,021
Income Taxes (from I.C. above)	11,646,642
Net Revenue Requirement, with 0 Basis Point ROE increase	76,861,533
Gross Margin Tax with Basis Point ROE Increase (II C. below)	
Revenue Requirement w/ Gross Margin Taxes	76,861,533
Less: Depreciation (True-Up TCOS, In 83)	12,498,008
Net Rev. Req, w/0 Basis Point ROE increase, less Depreciation	64,363,525

C. Determine Gross Margin Tax with hypothetical 0.112 basis point increase in ROE. Net Revenue Requirement before Gross Margin Taxes, with 0. 76,861,533

Net Revenue Requirement before Gross Margin Taxes, with 0	76,861,533
Basis Point ROE increase (II B. above)	
Apportionment Factor to Texas (Worksheet K, In 12)	0.00%
Apportioned Texas Revenues	
Taxable Percentage of Revenue (70%)	70%
Taxable, Apportioned Margin	
Texas Gross Margin Tax Rate	1%
Texas Gross Margin Tax Expense	-
Gross-up Required for Gross Margin Tax Expense	
Total Additional Gross Margin Tax Revenue Requirement	

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

Net Transmission Plant (True-Up TCOS, In 39)	447,417,953
Net Revenue Requirement, with 0 Basis Point ROE increase	76,861,533
FCR with 0 Basis Point increase in ROE	17.18%
Net Rev. Req, w / 0 Basis Point ROE increase, less Dep.	64,363,525
FCR with 0 Basis Point ROE increase, less Depreciation	14.39%
FCR less Depreciation (True-Up TCOS, In 12)	<u>14.39%</u>
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Period (P.206, In 58)	692,643,975 <==From Input on Worksheet B
Transmission Plant @ End of Period (P.207, In 58)	706,917,109 <==From Input on Worksheet B
	1,399,561,084
Transmission Plant Average Balance for 2012	699,780,542
Annual Depreciation Expense (True-Up TCOS, In 83)	13,543,408
Composite Depreciation Rate	1.94%
Depreciable Life for Composite Depreciation Rate	51.67
Round to nearest whole year	52

AEP - SPP Formula Rate PSO TCOS - WS G Page: 30 of 68

	Rev R	equire	W Ind	centives	Incentive Amounts	
TRUE-UP YEAR 2012						
∑ Prior Year Projected (WS-F)	\$	5,517,639	\$	5,517,639	\$	-
∑ Prior Year True-Up (WS-G)	\$	5,596,501	\$	5,596,501	\$	-
True-up Adjustment For 2012	2	78,861		78,861		-

Note: Review formulas in summary to ensure the proper year's revenue requirement is being accumulated for each project from the tables below.

NOTE: PART IV --- BPU Project Tables are contained in separate *.xls file

AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances Worksheet H - Revenue Credits for Historic Period PUBLIC SERVICE COMPANY OF OKLAHOMA

Revenue Credits for

CVCIIC	ic orcaits for	Total Company	Non- Transmission	Transmission
I.	Account 450, Forfeited Discounts	2,567,464	2,567,464	
II.	Account 451, Miscellaneous Service Revenues	4,619,031	4,619,031	-
III.	Account 454, Rent from Electric Property			
	1 Account 4540001 - Rent from Elect Property-Aff	2,455,545	2,414,614	40,931
	2 Account 4540002 - Rent from Elect Property - Non-Aff	810,456	780,955	29,500
	3 Account 4540005 - Rent from Elect Property - Pole Attach	3,682,287	3,682,287	-
	4 Account 4540004 - Rent from Elect Property - ABD - Non-Aff	78,321	32,567	45,754
	5 Total Rents from Electirc Property	7,026,609		116,186
	(Revenue related to transmission facilities for pole attachments, rentals, etc. Provide data sources and	l explanations in S	Section VIII, Notes belo	w)
IV.	Account 4560015, Revenues from Associated Business Development 1 Account 4560015, Revenues from Associated Business Development	3,350,307		351,711
V.	Total Other Operating Revenues To Reduce Revenue Requirement			467,897
VI.	Account 456.1, Revenues from Transmission of Electricity of Others			30,721,126
	(Provide data sources and any detailed explanations necessary in Section VIII Notes below) Less:			
	1 Transmission Direct Assignment Revenue (if costs not in the ARR)			-
	2 Sponsored Upgrade Revenue			_
	3 Credits against Transmission Service Revenue related to Generation Interconnection	าร		1,177,580
	4 Revenue for GFA's (Relative to SPP OATT) Associated with Load Included in the Divi			1,445,339
	5 Network Service Revenue (SPP Schedule 9) Associated with Load included in the Div			12,168,640
	6 Revenue Associated with Transmission Plant Excluded From SPP Tariff			-
	7 Distribution and Other Non-Transmission Revenue			284,298
	8 Revenue from SPP Ancillary Services Provided			2,680,772
	•			
	9 Base Plan Revenue (from SPP)			7,216,333
	10 Flow Through of ERCOT Ancillary Charges			-
	11 Other			-
	Net Transm	nission Credi	its	\$5,748,164
VII.	Total Worksheet A Revenue Credits			\$6,216,061
V 11.	Total Worksheet A Revenue Credits			<u> </u>

VIII. Data Sources:

Data for this worksheet came from the FERC Form 1 and the Company's General Ledger.

AEP - SPP Formula Rate PSO TCOS - WS I

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AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances Worksheet I - Supporting Transmission Expense Adjustments

PUBLIC SERVICE COMPANY OF OKLAHOMA

1	Other Expenses		
2	Direct Assignment Charge		\$0
3	Sponsored Upgrades Charge		\$0
4	Firm and Non-Firm Point-To-Point Charges		\$0
5	Base Plan Charges		\$0
6	Schedule 9 Charges		\$0
7	SPP Schedule 12 - FERC Assessment		\$0
8	SPP Schedule 1-A		\$0
9	SPP Annual Assessment		\$0
10	Ancillary Services Expenses		\$0
11	Other		\$0
12	Other		\$0
13	Other		\$0
14	Total	(sum of lines 2 through 13)	\$0

Adjustment to charges that are booked to transmission accounts that are the responsibility of the TO's LSE.

NOTE: Exclusion of Accounts 561 and 565 from O&M Expense in the TCOS templates eliminates the need to use this worksheet.

AEP West SPP Member Companies

Cost of Service Formula Rate Using 2012 FF1 Balances

Worksheet J - Allocation of Specific O&M or A&G Expenses

PUBLIC SERVICE COMPANY OF OKLAHOMA

	(A)	(B)	(C)	(D)	(E)	(F)	
<u>Line</u>	<u>FERC</u>		<u>2012</u>	<u>100%</u>	100% Transmission		
<u>Number</u>	Acct No.	<u>Description</u>	<u>Expense</u>	Non-Transmission	<u>Specific</u>	<u>Explanation</u>	
		Account 926 2007 Base Year OPEB Expense (Note 1)					
1	9260021	Postretirement Benefits - OPEB	7,738,548				
2	9260057	Postret Ben Medicare Subsidy	(2,016,228)				
3		OPEB Billed From Service Corporation	452,416				
4		Net 2007 Base Year Expense	6,174,736				
5 6	9260021	2012 Current Year Expense Postretirement Benefits - OPEB	3,695,399				
7	9260057	Postret Ben Medicare Subsidy	1,125,823				
8		OPEB Billed From Service Corporation	488,478				
9		Net 2012 Expense	5,309,700				
10	Note 4. A	Net Increase (Decrease) in OPEB Expense		This Amount Is Alloca	J	Salaries	
	Note 1: A	bsent a 205 Filing with FERC, the base amounts (Lns 1-4	4) will not chang	e in subsequent year	S.		
		Account 928				Oklahoma Corporation	
11	9280000	Reg Commission Expense - OCC Annual Fees	1,161,339	1,161,341	(2)	Commission Assessment	
12	9280001	Reg Commission Expense Admin	11,863	(10)	11,873	FERC Assessment Fees	
13	9280002	Reg Commission Exp - Case	40,534	40,534	0	To accumulate the AEPSC personnel costs in connection with	
4.4	3200002	Treg Commission Exp - Case	40,334	40,334	U	PSO/SWEPCO - Updates required	
14	9280002	Reg Commission Exp - Transmission	853	0	853	as a result of FERC Docket ER07-	
15							
	9280002	Reg Commission Exp - Labor Accruals	(1,486)	(1,190)	(297)	Labor accruals - for various depts	
16						Determination of Use and Usefulness of Additional Baseload	
16	9280002	Reg Commission Exp - Misc Filings	8	0	8	Generation before the OCC	
17			2.200	4.000	400	Mice Filing Defere the OCC	
	9280002	Reg Commission Exp - Misc Filings	2,389	1,980	409	Misc Filing Before the OCC	
18	0200002	Dog Commission Eyn Miss Filings	20 500	25.270	E 220	Dog/Log Act Oklohomo	
10	9280002	Reg Commission Exp - Misc Filings	30,598	25,370	5,228	Reg/Leg Act-Oklahoma	
19	9280003	Rate Case Amort	428,436	428,436	0	Rate Case Amortization	
20		Total (FF1, pg. 323)	1,674,535	1,656,462	18,073	•	
		Account 930.1					
21		General Advertising Expenses	32,467	31,836	631		
22 23		Newspaper Advertising Space Spec Corporate Comm Info Proj	100,792	100,467	325 0		
24		Direct Mail and Handouts	Ö	0	0		
25		Fairs, Shows, and Exhibits	0	0	0		
26 27	9301010	Publicity Dedications, Tours, & Openings	1,805	1,521	285 0		
28		Public Opinion Surveys	20,017	19,790	228		
29		Movies Slide Films & Speeches	0	0	0		
30 31		Video Communications Other Corporate Comm Exp	26 79,534	21 78,852	4 682		
01	3301013			70,002			
32		Total (FF1, pg. 323)	234,643	232,489	2,155	-	
Account 930.2							
33 34		Misc General Expenses Corporate & Fiscal Expenses	401,191 58,830	332,391 55,088	68,800 3,742		
3 4 35		Research, Develop&Demonstr Exp	7,694	7,694	3,742		
36	9302006	Assoc Bus Development - Materials Sold-Trans	0	0	0		
37		Assoc Business Development - Materials Sold-Non Trans	136,059	136,059	0		
38 39		Assoc Business Development Exp - Transmission Assoc Business Development Exp - Non-Transmission	243,568 1,568,130	0 1,568,130	243,568 0		
40		AEPSC Non Affliated expenses	435	435	0		
41		Total (FF1, pg. 323)	2,415,907	2,099,797	316,110	-	
41		iotai (111, μg. 020)	2,410,807	۷,099,191	310,110	-	

AEP West SPP Member Companies

Cost of Service Formula Rate Using 2012 FF1 Balances

Worksheet K - Development of Composite State Income Tax Rate

PUBLIC SERVICE COMPANY OF OKLAHOMA

DEVELOPMENT OF COMPOSITE STATE INCOME TAX RATES FOR 2012

State Income Tax Rate - Oklahoma Apportionment Factor Effective State Income Tax Rate	Note 1	5.66% 96.91%	5.4854%
State Income Tax Rate - Ohio Apportionment Factor Tax Phase-out Factor Effective State Income Tax Rate	Note 2	8.50% 0.00% 0.00%	0.0000%
Total Effective State Income Tax Rate		_	5.4854%

Note 1 --- The Oklahoma State Income Tax Rate of 6% is reduced to 5.66% due to the deductibility of Oklahoma State Income Taxes on the Oklahoma State Income Tax Return.

Note 2 --- The Ohio State Income Tax is being phased-out over a 5 year period and is being replaced with a Commercial Activites Tax. The taxable portion of income is 40% in 2007.

II. CALCULATION OF TEXAS GROSS MARGIN TAX

	<u>Project</u>	<u>Projected</u>		<u>Historic</u>		<u>Actual</u>	
Line # REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (In 118 of Template)	Total Company 350,532,514	Trans. Only 82,505,038	Total Company 346,900,518	Trans. Only 77,311,829	Total Company 339,763,660	Trans. Only 76,861,533	
1 Apportionment Factor to Texas (In12)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
2 Apportioned Texas Revenues	\$0	\$0	\$0	\$0	\$0	\$0	
3 Taxable Percentage of Revenue (70%)	70%	70%	70%	70%	70%	70%	
4 Taxable, Apportioned Margin	-	-	-	-	-	-	
5 Texas Gross Margin Tax Rate (1%)	1%	1%	1%	1%	1%	1%	
6 Texas Gross Margin Tax Expense	-	-	-	-	-	-	
7 Gross-up Required for Texas Gross Margin Expense ((In 6 * In 3 * In 1)/(1- In 5) * In 5)	-		-			-	
8 Total Additional Gross Margin Tax Revenue Requirement				-	-	-	

9 WHOLESALE LOAD ALLOCATOR (For Use in Gross Margin Tax Allocator)

10 Texas Jurisdictional Load - KW
11 Total Load - KW
12 Allocation Percentage (In 10 / In 11) 0.00%

AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances Worksheet L - Taxes Other than Income PUBLIC SERVICE COMPANY OF OKLAHOMA

HISTORIC PERIOD EXPENSE (2012) - TO BE USED ON TRUE-UP TEMPLATE

	(A)	(B)	(C)	(D)	(E)	(F)
Line No.	Account	Total Company	Property	Labor	Other	Non-Allocable
1	Revenue Taxes					
2	OH CAT Tax	89				89
3	Real Estate and Personal Property Taxes					
4	Oklahoma Ad Valorum	37,398,955	37,398,955			
5	Texas Ad Valorum	1,191,311	1,191,311			
6	Louisiana Ad Valorum	(6,066)	(6,066)			
7	Nevada Ad Valorum	-	-			
0	Desmall Taxon					
8 9	Payroll Taxes Fodoral Incurance Contribution (FICA)	4 270 024		4 270 024		
9 10	Federal Insurance Contribution (FICA) Federal Unemployment Tax	4,370,024 16,298		4,370,024 16,298		
11	State Unemployment Insurance	237,835		237,835		
		201,000		201,000		
12	Production Taxes					
13		-				-
14		-				-
15	Miscellaneous Taxes					
16	Federal Excise Tax	748				748
17	Ok State Franchise Tax	60,000			60,000	
18	Ok Sales & Use Taxes	1,634			,	1,634
19	Ok Local Franchise Tax - 2012	157,082			157,082	
20	Ok Local Franchise Tax - 2011	-			-	
21	Ohio State Franchise	-			-	
22	Tx Sales & Use Taxes	463				463
23	Tx State Franchise	-			-	
24	MI Misc Tax	72			72	
25	Ok Misc Tax	10			10	
26	MT Misc Tax	15			15	
26	Wy Misc Tax	52			52	
27	Total Taxes by Allocable Basis	43,428,522	38,584,200	4,624,157	217,231	2,934

AEP - SPP Formula Rate PSO TCOS - WS M Page: 36 of 68

AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances

Worksheet M - Cost of Debt Based on Outstanding Balances as of 12/31/2012 PUBLIC SERVICE COMPANY OF OKLAHOMA

(A)	(B)	(C)	(D)	(E)
<u>Issuance</u>	Principle Amount FF1.p. 257.x (h)	Interest Rate	Annual Expense	<u>Notes</u>
Long Term Debt (FF1.p. 256-257.h) 1 Affliated Notes Payable				
2 None			0	
3 Pollution Control Bonds				
4 Pollution Control Bonds - Series 2009	33,700,000	5.25%	1,769,250	p256 L12(h)
5 Pollution Control Bonds - Series 2007	12,660,000	4.45%	563,370	p257 L25h)
6 Senior Unsecured Notes				
7 Senior Unsecured Notes - Series F	150,000,000	6.15%	9,225,000	p256 L14(h)
8 Senior Unsecured Notes - Series G	250,000,000	6.625%	16,562,500	p256 L19(h)
9 Senior Unsecured Notes - Series H	250,000,000	5.15%	12,875,000	
10 Senior Unsecured Notes - Series I	250,000,000	4.40%	11,000,000	
11 GridSMART Promissory Note	7,146,638	3.00%	214,399	p257 L27(h)
Issuance Discount, Premium, & Expenses:				
12 Financial Hedges & Auction Fees	FF1.p. 256 & 257.Lines Described as F	(1,167,106)	256 Ln17(i) 257 Ln5(i)	
13 Amort of Debt Discount and Expenses	FF1.p. 117.63.c (also WS-N Ln 15)		1,012,062	()
14 Less: Amor of Debt Premimums	FF1.p. 117.65.c (also WS-N Ln 17)		-	
Reacquired Debt:				
15 Amortization of Loss	FF1.p. 117.64.c (also WS-N Ln 16)		1,615,490	
16 Less: Amortization of Gain	FF1.p. 117.66.c (also WS-N Ln 18)		-	
17 Total Interest on Long Term Debt	953,506,638	5.63%	53,669,965	1
17 Total Intoloct on Long Total Book	000,000,000	0.0070	00,000,000	ı
Preferred Stock (FF1.p. 250-251)	Preferred Balance Outstanding			
18	-		-	
19 20	· ·		-	
20			-	
21 Dividends on Preferred Stock	-	0.00%	-]

AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances PUBLIC SERVICE COMPANY OF OKLAHOMA

Calculation of Capital Structure and Weighted Average Cost of Capital Based on Average of Balances At 12/31/2011 and 12/31/2012

(A)	(B)	(C)	(D)	(E)
		Balances @	Balances @	
<u>Line</u>	ppment of Average Balance of Common Equity	<u>12/31/2012</u>	12/31/2011	Average
Develo	prinent of Average balance of Common Equity			
	1 Total Proprietary Capital (p. 112.16.c&d)	916,277,931	892,805,058	904,541,495
	2 Less Preferred Stock from Ln 46 below	0	0	-
	3 Less Account 216.1 (p. 112.12.c&d)	0	0	-
	4 Less Account 219.1 (p. 112.15.c&d)	6,480,383	7,148,518	6,814,451
	5 Average Balance of Common Equity	909,797,548	885,656,540	897,727,044
<u>Develo</u>	pment of Cost of Long Term Debt Based on A	verage Outstanding I	Balance	
	6 Bonds (221) (p. 112.18.c&d)	_	_	_
	7 Less: Reacquired Bonds (222) (p. 112.19.c&d)		_	_
	8 Advances from Assoc. Companies (223) (p112.20.c&d)	_	_	-
	9 Senior Unsecured Notes (224) (p. 112.21.c&d)	953,506,638	951,341,259	952,423,949
1	10 Total Average Debt	953,506,638	951,341,259	952,423,949
	14 Annual Interest Francisco for 2042			
	11 Annual Interest Expense for 2013			E0 072 244
	12 Coupon Interest on Long Term Debt (256-257.33.i)13 Less: Financial Hedge Gain/Expense from Ln 26 Included	lin I n 12		50,973,244 (1,167,106)
	13 Less. Financial Hedge Gain/Expense from Ln 20 included 14 Plus: Allowed Hedge Recovery from Ln 30 below	J III LII 12		(1,167,106) (925,075)
	15 Amort of Debt Discount & Expense (428) (p. 117.63.c)			1,012,062
	16 Amort of Loss on Reacquired Debt (428.1) (p. 117.64.c)			1,615,490
	17 Less: Amort of Premium on Debt (429) (p. 117.65.c)			-
	18 Less: Amort of Gain on Reacquired Debt (429.1) (p. 117.	.66.c)		-
	19 Total Interest Expense (Ln 12 + Ln 13 + Ln 14 + Ln 15	•	-	53,842,827
2	20 Average Cost of Debt for 2013 (Ln 19/Ln 10)		ſ	5.65%
	,		•	
	21 Financial Hedge Amortization Reported in Column (i) on F	Page 256-257 (Enter Gains	as a Negative Nur	•
	22 SUN Series I 4.4% Financial Hedge (p. 257.1 Ln 5.i)			(1,279,141)
	23 SUN Series F 6.15% Financial Hedge (p. 256 Ln 17.i)			112,035
	24			
	25 Total Hadra Amortination			(4.407.400)
	26 Total Hedge Amortization	n 127\		(1,167,106)
	27 Total Average Capital Balance for 2012 (Actual TCOS, Lr 28 Financial Hedge Recovery Limit - Five Basis Points of To			1,850,150,993 0.0005
	29 Limit of Recoverable Amount	λιαι Θαριιαι		(925,075)
	30 Recoverable Hedge Amortization		Γ	(925,075)
	(lesser of 5 basis point Cap or Actual (Gain)/Expense bas	sed on magnitude as indicat	ed on Ln 26 or Ln	
	, , , , , , , , , , , , , , , , , , , ,	3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3		,

Development of Cost of Preferred Stock

Preferred Stock			<u>Average</u>
31% Series Dividend Rate (p. 250-251a)			
32% Series Par Value (p. 250-251c)			
33% Series Shares O/S (p.250-251e)			
34% Series Monetary Value (Ln 32 * Ln 33)	-	-	-
35% Series Dividend Amount (Ln 31 * Ln 34)	-	-	-
36% Series Dividend Rate (p. 250-251. col(a))			
37% Series Par Value (p. 250-251. col(c))			
38% Series - 0 - Share O/S (p. 250-251. col(e))			
39% Series Monetary Value (Ln 37 * Ln 38)	-	-	-
40% Series Dividend Amount (Ln 36 * Ln 39)	-	-	-
41 0% Series Dividend Rate (p. 250-251.)			
42 0% Series Par Value (p. 250-251.)			
43 0% Series Shares O/S (p.250-251.)			
44 0% Series Monetary Value (Ln 42 * Ln 43)	-	-	-
45 0% Series Dividend Amount (Ln 41 * Ln 44)	-	-	-
46 Balance of Preferred Stock (Lns 34, 39, 44)		-	<u> </u>
47 Dividens on Preferred Stock (Lns 35, 40, 45)	-	-	-
48 Average Cost of Preferred Stock (Ln 47/46)	0.00%	0.00%	0.00%

AEP West SPP Member Companies 2013 Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 and Projected Net Plant at Year-End 2013

SOUTHWESTERN ELECTRIC POWER COMPANY

Line No.						Т	ransmission Amount		
1	REVENUE REQUIREMENT (w/o incentives)	(In 120)					\$129,004,406		
			Total	Allo	ocator				
2	REVENUE CREDITS	(Note A)							
3	Transmission Credits	(Worksheet H)	9,427,721	DA	1.00000	\$	9,427,721		
4	Assoc. Business Development	(Worksheet H)	118,729	DA	1.00000	\$	118,729		
5	Total Revenue Credits		9,546,450			\$	9,546,450		
6	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 5)					\$119,457,956		
MEN	MEMO: The Carrying Charge Calculations on lines 9 to 14 below is used in calculating project revenue requirements billed on SPP Schedule 11. The total non-incentive revenue requirements for these projects shown on line 7 is included in the total on line 6.								
7			33,398,332	DA	1.00000	\$	33,398,332		
	Revenue Requirement for SPP BPU Regional Facilities (w/o incentives)	(Worksheet F)							
8	NET PLANT CARRYING CHARGE (w/o incentives) (Note B)								
9	Annual Rate	(In 1/ (Sum of Ins 46, 47, 48, 49, 51)) x 100%					17.16%		
10	Monthly Rate	(ln 9 / 12)					1.43%		
11	NET PLANT CARRYING CHARGE ON LINE 9 , W/O DEPRECIATION (v	w/o incentives) (Note B)							
12	Annual Rate	((In 1 - In 95) / (Sum of Ins 46, 47, 48, 49, 51)) x 100%					14.00%		
13	NET PLANT CARRYING CHARGE ON LINE 11, W/O INCOME TAXES,	RETURN (Note B)							
14	Annual Rate	((ln 1 - ln 95 - ln 117 - ln 118) / (Sum of lns 46, 47, 48,	49, 51)) x 100%				3.99%		
15	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE'	s (Note C) (Worksheet F)					-		

(5)

(4)

AEP West SPP Member Companies 2013 Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 and Projected Net Plant at Year-End 2013

SOUTHWESTERN ELECTRIC POWER COMPANY

(3)

(2)

(1)

		(-)	(-)	,	,	(-)
Line	RATE BASE CALCULATION	Data Sources (See "General Notes")	<u>TO Total</u> NOTE D	Allo	cator	Total <u>Transmission</u>
No.	GROSS PLANT IN SERVICE					
16	Production	(Worksheet A In 1.C)	3,928,084,334	NA	0.00000	-
17	Less: Production ARO (Enter Negative)	(Worksheet A In 2.C)	(23,048,172)	NA	0.00000	-
		(Worksheet A In 3.C & Hist.		DA		4 040 000 400
18	Transmission	Template Ln 169)	1,115,290,032	DA		1,046,968,123
19	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.C)	, , , , <u>-</u>	TP	0.94335	-
20	Plus: Transmission Plant-in-Service Additions (Worksheet B)	(,	90,769,386	DA	1.00000	90,769,386
21	Plus: Additional Trans Plant on Transferred Assets (Worksheet B)		-	TP	0.94335	-
22	Distribution	(Worksheet A In 5.C)	1,758,142,067	NA	0.00000	-
23	Less: Distribution ARO (Enter Negative)	(Worksheet A In 6.C)	-	NA	0.00000	-
24	General Plant	(Worksheet A In 7.C)	315,641,257	W/S	0.06311	19,918,692
25	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	(682,710)	W/S	0.06311	(43,083)
26	Intangible Plant	(Worksheet A In 9.C)	51,808,056	W/S	0.06311	3,269,372
27	TOTAL GROSS PLANT	(sum Ins 16 to 26)	7,236,004,250	***	0.00011	1,160,882,491
21	TO TALL SINGSOT EARLY	(34111113 10 10 20)	7,200,004,200			1,100,002,401
20	ACCUMULATED DEDDECIATION AND AMODITATION					
28	ACCUMULATED DEPRECIATION AND AMORTIZATION	(Markahaat Alb 12 C)	1 250 225 176	NΙΛ	0.0000	
29	Production	(Worksheet A In 12.C)	1,250,235,176	NA	0.00000	-
30	Less: Production ARO (Enter Negative)	(Worksheet A In 13.C)	(2,963,538)	NA	0.00000	-
	Transmission	(Worksheet A In 14.C &	390,501,480	TP1=		
31	Transmission	28.C)	300,001,100		0.92599	361,600,310
32	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	-	TP1=	0.92599	· -
33	Plus: Transmission Plant-in-Service Additions (Worksheet B)	,	1,016,991	DA	1.00000	1,016,991
34	Plus: Additional Projected Deprec on Transferred Assets (Worksheet B)		, , , <u>-</u>	DA	1.00000	, , , <u>-</u>
35	Plus: Additional Transmission Depreciation for 2013 (In 95)		25,189,839	TP1	0.92599	23,325,529
36	Plus: Additional General & Intangible Depreciation for (In 97+In 98)		17,077,555	W/S	0.06311	1,077,687
37	Plus: Additional Accum Deprec on Transferred Assets (Worksheet B)		-	DA	1.00000	-
38	Distribution	(Worksheet A In 16.C)	658,460,789	NA	0.00000	_
39	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.C)	-	NA	0.00000	_
40	General Plant	(Worksheet A In 18.C)	167,587,756	W/S	0.06311	10,575,705
41	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	(317,769)	W/S	0.06311	(20,053)
42	Intangible Plant	(Worksheet A In 19.0)	38,898,982	W/S	0.06311	
		,		VV/3	0.00311	2,454,739
43	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 29 to 42)	2,545,687,261			400,030,909
11	NET PLANT IN SERVICE					
44 45		(ln 16 + ln 17 ln 20 ln 20)	2 657 764 524			
	Production	(ln 16 + ln 17 - ln 29 - ln 30)	2,657,764,524			605 267 942
46 47	Transmission	(In 18 + In 19 - In 31 - In 32)	724,788,552			685,367,813
47	Plus: Transmission Plant-in-Service Additions (In 20 - In 33)		89,752,395			89,752,395
48	Plus: Additional Trans Plant on Transferred Assets (In 21 - In 34)		(05.400.000)			(00.005.500)
49	Plus: Additional Transmission Depreciation for 2013 (-ln 35)		(25,189,839)			(23,325,529)
50	Plus: Additional General & Intangible Depreciation for 2013 (-ln 36)		(17,077,555)			(1,077,687)
51	Plus: Additional Accum Deprec on Transferred Assets (Worksheet B) (-In 37)		-			-
52	Distribution	(ln 22 + ln 23 - ln 38 - ln 39)	1,099,681,278			-
53	General Plant	(ln 24 + ln 25 - ln 40 - ln 41)	147,688,560			9,319,957
54	Intangible Plant	(In 26 - In 42)	12,909,074			814,633
55	TOTAL NET PLANT IN SERVICE	(sum Ins 45 to 54)	4,690,316,989			760,851,582
		(1)				
56	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note E)				
57 50	Account No. 281.1 (enter negative)	272-273.8.k	·	NA		-
58	Account No. 282.1 (enter negative)	(Worksheet C, In 1.C & In 3.J)	(926,406,626)	DA		(138,847,360)
59	Account No. 283.1 (enter negative)	(Worksheet C, In 10.C & Ln 12.J)	(41,074,933)	DA		(2,331,839)
60	Account No. 190.1	(Worksheet C, In 19.C & Ln 21.J)	197,640,428	DA		19,754,085
61	Account No. 255 (enter negative)	(Worksheet C, In 28.C & Ln 30.J)		DA		
62	TOTAL ADJUSTMENTS	(sum Ins 57 to 61)	(769,841,132)			(121,425,115)
63	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	1,350,884	DA		504,994
64	WORKING CAPITAL	(Note F)				
65	Cash Working Capital	(1/8 * In 80) (Note G)	1,622,845			1,530,912
66	Transmission Materials & Supplies	(Worksheet D, In 2.(D))	478,573	TP	0.94335	451,462
67	A&G Materials & Supplies	(Worksheet D, In 3.(D))	185,074	W/S	0.06311	11,679
68	Stores Expense	(Worksheet D, In 4.(D))	-	GP(h)	0.14975	-
69	Prepayments (Account 165) - Labor Allocated	(Worksheet D, In 5.G)	119,187,663	W/S	0.06311	7,521,394
70	Prepayments (Account 165) - Gross Plant	(Worksheet D, In 5.F)	1,817,477	GP(h)	0.14975	272,167
71	Prepayments (Account 165) - Transmission Only	(Worksheet D, In 5.E)	, , , <u>-</u>	DA	1.00000	, - -
72	Prepayments (Account 165) - Unallocable	(Worksheet D, In 5.D)	(110,340,325)	NA	0.00000	-
73	TOTAL WORKING CAPITAL	(sum Ins 65 to 72)	12,951,306	•		9,787,616
		<u> </u>	,			2,. 2. ,0 . 2
74	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note H) (Worksheet E, In 7 (B))	(20,792,063)	DA	1.00000	(20,792,063)
-		, , , , , , , , , , , , , , , , , , , ,	(-, -=,,			(-,,,,
75	RATE BASE (sum Ins 55, 62, 63, 73, 74)		3,913,985,985			628,927,014
-	, , -, -, ,		-,,			,,

AEP West SPP Member Companies 2013 Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 and Projected Net Plant at Year-End 2013

SOUTHWESTERN ELECTRIC POWER COMPANY

(1) (2) (3)

	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	<u>TO Total</u>	Allo	cator	Total <u>Transmission</u>
Line						
No.	OPERATION & MAINTENANCE EXPENSE	321.112.b	44.070.259			
76 77	Transmission Less: Total Account 561	(Note I) 321.84-92.b	44,970,358 11,380,135			
	Less: Account 565	` ,	11,280,135 20,707,467			
78 79	Less: expenses 100% assigned to TO billed customers (Worksheet I, In 14)	(Note J) 321.96.b	20,707,487 \$0			
79 80	Total O&M Allocable to Transmission	(Ins 76 - 77 - 78 - 79)	12,982,756	TP	0.94335	12,247,297
60	Total Odivi Allocable to Transmission	(1115 76 - 77 - 76 - 79)	12,902,730	IF	0.94333	12,247,297
81	Administrative and General	323.197.b (Note K)	70,056,050			
82	Less: Acct. 924, Property Insurance	323.185.b	2,550,069			
83	Acct. 928, Reg. Com. Exp.	323.189.b	3,205,062			
84	Acct. 930.1, Gen. Advert. Exp.	323.191.b	206,363			
85	Acct. 930.2, Misc. Gen. Exp.	323.192.b	(2,195,376)			
86	Balance of A & G	(In 81 - sum In 82 to In 85)	66,289,932	W/S	0.06311	4,183,258
87	Plus: Acct. 924, Property Insurance	(In 82)	2,550,069	GP(h)	0.14975	381,873
88	Acct. 928 - Transmission Specific	Worksheet J In 25.(E) (Note L)	510,464	TP	0.94335	481,547
89	Acct 930.1 - Only safety related ads -Direct	Worksheet J In 39.(E) (Note L)	19,934	TP	0.94335	18,804
90	Acct 930.2 - Misc Gen. Exp Trans	Worksheet J In 49.(E) (Note L)	126,425	DA	1.00000	126,425
91	Less: PBOP Expense In Acct. 926 Adjustment	Worksheet J In 10.C (Note M)	468,909	W/S	0.06311	29,591
92	A & G Subtotal	(sum lns 86 to 90 less ln 91)	69,027,915			5,162,317
93	TOTAL O & M EXPENSE	(In 80 + In 92)	82,010,671			17,409,614
94	DEPRECIATION AND AMORTIZATION EXPENSE					
95	Transmission	336.7.f	25,189,839	TP	0.94335	23,762,863
96	Plus: Transmission Plant-in-Service Additions (Worksheet B)	000.7.1	1,016,991	DA	1.00000	1,016,991
97	General	336.10.f	8,018,403	W/S	0.06311	506,005
98	Intangible	336.1.f	9,059,152	W/S	0.06311	571,682
99	TOTAL DEPRECIATION AND AMORTIZATION	(sum Ins 95 to 98)	43,284,385	VV/O	0.00011	25,857,541
100 101	TAXES OTHER THAN INCOME Labor Related	(Note N)				
101	Payroll	Worksheet L, Col. D	5,866,598	W/S	0.06311	370,214
103	Plant Related	,	,			,
104	Property	Worksheet L, Col. C	39,769,319	GP(h)	0.14975	5,955,461
105	Gross Receipts/Sales & Use	Worksheet L, Col. F	5,048,397	NÀ	0.00000	, , , <u>-</u>
106	Other	Worksheet L, Col. E	21,326,802	GP(h)	0.14975	3,193,692
107	TOTAL OTHER TAXES	(sum Ins 102 to 106)	72,011,116	. ,		9,519,368
108	INCOME TAXES	(Note O)				
109	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =	(1.1313-3)	37.75%			
110	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		40.36%			
111	where WCLTD=(In 147) and WACC = (In 150)		10.007,0			
112	and FIT, SIT & p are as given in Note O.					
113	GRCF=1 / (1 - T) = (from In 109)		1.6064			
114	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	(549,547)			
115	Income Tax Calculation	(In 110 * In 118)	134,911,526			21,678,540
116	ITC adjustment	(In 113 * In 114)	(882,807)	NP(h)	0.14979	(132,236)
117	TOTAL INCOME TAXES	(sum Ins 115 to 116)	134,028,719	141 (11)	0.11070	21,546,304
		· ·				
118	RETURN ON RATE BASE (Rate Base*WACC)	(In 75 * In 150)	334,259,482			53,711,183
119	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2)		657,290	DA	1.00000	657,290
120 121	REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum Ins 93, 99, 107, 117, 118, 119)		666,251,663			128,701,300
122	TEXAS GROSS MARGIN TAX (Note P) (Worksheet K)		1,569,095	DA		303,106
123	REVENUE REQUIREMENT INCLUDING GROSS MARGIN TAX		667,820,758			129,004,406

AEP West SPP Member Companies 2013 Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 and Projected Net Plant at Year-End 2013

SOUTHWESTERN ELECTRIC POWER COMPANY

SUPPORTING CALCULATIONS

ln								
No.	TRANSMISSION PLANT INCLUDED IN SPP TARIFF							
124	Total transmission plant	(In 18, 19, 20, 21)						1,206,059,418
125	Less transmission plant excluded from SPP Tariff (Note Q)	, , , ,						40,965,614
126	Less transmission plant included in OATT Ancillary Services (Worksh	eet A, In 23, Col. (C)) (Note R)						27,356,295
127	Transmission plant included in SPP Tariff	(ln 124 - ln 125 - ln 126)						1,137,737,509
128	Percent of transmission plant in SPP Tariff	(In 127 / In 124)					TP=	0.94335
				Payroll Billed from				
129	WAGES & SALARY ALLOCATOR (W/S)	(Note S)	Direct Payroll	AEP Service Corp.	Total			
130	Production	354.20.b	32,535,900	11,747,964	44,283,864	NA	0.00000	-
131	Transmission	354.21.b	2,701,085	3,504,350	6,205,435	TP	0.94335	5,853,904
132	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-
133	Distribution	354.23.b	25,828,696	2,487,976	28,316,672	NA	0.00000	-
134	Other (Excludes A&G)	354.24,25,26.b	8,228,953	5,728,879	13,957,832	NA	0.00000	-
135	Total	(sum Ins 130 to 134)	69,294,634	23,469,169	92,763,803			5,853,904
136	Transmission related amount						W/S=	0.06311
137	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
137 138	WEIGHTED AVERAGE COST OF CAPITAL (WACC)	Long Term Interest (Workshe	et M, In. 21, col. (D))					\$ 113,677,430
	WEIGHTED AVERAGE COST OF CAPITAL (WACC)	Long Term Interest (Workshe Preferred Stock Dividends (W	` , ,)				\$ 113,677,430 -
138	WEIGHTED AVERAGE COST OF CAPITAL (WACC) Development of Common Stock:	,	` , ,					\$ 113,677,430 -
138 139		,	orksheet M, In. 22, col. (D)))				\$ 113,677,430 - 2,021,211,699
138 139 140		Preferred Stock Dividends (W	orksheet M, In. 22, col. (D))					-
138 139 140 141		Preferred Stock Dividends (W Proprietary Capital (112.16.c)	orksheet M, In. 22, col. (D)))				-
138 139 140 141 142		Preferred Stock Dividends (W Proprietary Capital (112.16.c) Less Preferred Stock (In 148)	orksheet M, In. 22, col. (D))					2,021,211,699 -
138 139 140 141 142 143		Preferred Stock Dividends (W Proprietary Capital (112.16.c) Less Preferred Stock (In 148) Less Account 216.1 (112.12.c	Vorksheet M, In. 22, col. (D))					- 2,021,211,699 - 19,193,896
138 139 140 141 142 143 144		Preferred Stock Dividends (W Proprietary Capital (112.16.c) Less Preferred Stock (In 148) Less Account 216.1 (112.12.c Less Account 219.1 (112.15.c	Vorksheet M, In. 22, col. (D))	<u>Capital Structure P</u>	<u>ercentages</u>		Cost	- 2,021,211,699 - 19,193,896 (17,862,454)
138 139 140 141 142 143 144		Preferred Stock Dividends (W Proprietary Capital (112.16.c) Less Preferred Stock (In 148) Less Account 216.1 (112.12.c Less Account 219.1 (112.15.c	Vorksheet M, In. 22, col. (D))		<u>ercentages</u> Cap Limit		Cost (Note T)	- 2,021,211,699 - 19,193,896 (17,862,454)
138 139 140 141 142 143 144 145		Preferred Stock Dividends (W Proprietary Capital (112.16.c) Less Preferred Stock (In 148) Less Account 216.1 (112.12.c Less Account 219.1 (112.15.c	Vorksheet M, In. 22, col. (D))	<u>Capital Structure P</u>				2,021,211,699 - 19,193,896 (17,862,454) 2,019,880,257
138 139 140 141 142 143 144 145	Development of Common Stock:	Preferred Stock Dividends (W Proprietary Capital (112.16.c) Less Preferred Stock (In 148) Less Account 216.1 (112.12.c Less Account 219.1 (112.15.c Common Stock (In 141 - In 14	Vorksheet M, In. 22, col. (D))	<u>Capital Structure P</u> Actual	Cap Limit		(Note T)	- 2,021,211,699 - 19,193,896 (17,862,454) 2,019,880,257 Weighted
138 139 140 141 142 143 144 145	Development of Common Stock: Long Term Debt (Worksheet M, In. 21, col. (B))	Preferred Stock Dividends (W Proprietary Capital (112.16.c) Less Preferred Stock (In 148) Less Account 216.1 (112.12.c Less Account 219.1 (112.15.c Common Stock (In 141 - In 14	Vorksheet M, In. 22, col. (D))	Capital Structure P Actual 49.25%	Cap Limit 0.00%	_	(Note T)	2,021,211,699 - 19,193,896 (17,862,454) 2,019,880,257 Weighted 0.0286
138 139 140 141 142 143 144 145 146 147 148	Development of Common Stock: Long Term Debt (Worksheet M, In. 21, col. (B)) Preferred Stock (Worksheet M, In. 22, col. (B))	Preferred Stock Dividends (W Proprietary Capital (112.16.c) Less Preferred Stock (In 148) Less Account 216.1 (112.12.c Less Account 219.1 (112.15.c Common Stock (In 141 - In 14	Vorksheet M, In. 22, col. (D))	Capital Structure P Actual 49.25% 0.00%	Cap Limit 0.00% 0.00%	_	(Note T) 0.0580 -	2,021,211,699 - 19,193,896 (17,862,454) 2,019,880,257 Weighted 0.0286 0.0000

AEP - SPP Formula Rate SWEPCO TCOS - Projected Page: 42 of 68

AEP West SPP Member Companies
2013 Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2012 and Projected Net Plant at Year-End 2013

SOUTHWESTERN ELECTRIC POWER COMPANY

<u>Letter</u> <u>Notes</u>

General Notes: a) References to data from FERC Form 1 are indicated as: page#.line#.col.#

- b) If transmission owner ("TO") functionalizes its costs to transmission on its books, those costs are shown above and on any supporting workpapers rather than using the allocations above.
- A The revenue credits shall include a) amounts received directly from the SPP for PTP transmission services, b) direct assignment charges for transmission facilities, the cost of which has been included in the TCOS, and c) amounts from customers taking service under grandfathered agreements, where the demand is not included in the rate divisor. Revenues associated with FERC annual charges, gross receipts taxes, ancillarly services or facilities excluded from the TCOS are not included as revenue credits. Revenue from Transmission Customers whose coincident peak loads are included in the DIVISOR of the load-ratio share calculation are not included as revenue credits. See Worksheet A for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for facilities and any upgrades.
- This additional revenue requirement is determined using a net plant carrying charge (fixed carrying charge or FCR) approach. Worksheet G shows the calculation of the projected revenue requirement for each project, based on an FCR rate caclulated from inputs on the Historic TCOS. Line 15 shows the incremental ARR for projects receiving incentives as accepted by FERC. These individual additional revenue requirements are summed for the true-up year, and included here.
- D The gross plant, accumulated depreciation, and deferred tax balances included in rate base are reduced by the removal of balances related to Asset Retirement Obligations (AROs). This is to comply with the requirements of FERC Rulemaking RM02-7-000.
- The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations.

 The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense as discussed in Note N. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. Transmission allocations are shown on Worksheet B.
- F Identified as being transmission related or functionally booked to transmission.
- G Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission on line 80.
- Consistent with Paragraph 657 of Order 2003-A, the amount on line is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 119.
- Removes the expense booked to transmission accounts included in the development of OATT ancillary services rates, including all of Account No. 561.
- J Removes cost of transmission service provided by others to the extent such service is not incurred to provide the SPP service at issue.
- K General Plant and Administrative & General expenses may be functionalized based on allocators other then the W/S allocator. Full documentation must be provided.
- Expense reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet D allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M
 This line complies with FERC requirement that Other Post Employment Benefits remain constant from an initial test year. Changes in this base amount can only occur via approval of a 205 filing.
 - Includes only FICA, unemployment, property and other assessments charged in the current year. Gross Receipts tax, Sales & Use taxes, and taxes related to income are excluded.
- The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =
 "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a
 work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that
 elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce
 rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)

(In 109) multiplied by (1/1-T). If the applicable tax rates are zero enter 0. Inputs Required:

Ν

FIT = 35.00% SIT= 4.23%

SIT= 4.23% (State Income Tax Rate or Composite SIT. Worksheet K))
p = 0.00% (percent of federal income tax deductible for state purposes)

- P Effective January 1, 2007, Texas instituted a gross margin tax. This tax is calculated on the Texas allocated revenue of the Company, reduced by 30% to derive a "Gross Margin" for the Company. The tax rate of one percent is assessed on the resulting amount. The jurisdictional allocator is based on transmission demand allocators.
- Q Removes plant excluded from the OATT because it does not meet the SPP's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- R Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note Q.
- S Includes functional wages & salaries incurred by parent company service corporation for support of the operating company.
- Long Term Debt cost rate = long-term interest (ln 138) / long term debt (ln 147). Preferred Stock cost rate = preferred dividends (ln 139) / preferred outstanding (ln 148). Common Stock cost rate (ROE) = 11.2%, the rate accepted by FERC in Docket No. ER07-XXX. It includes an additional 50 basis points for remaining a member of the SPP RTO.
- Per Settlement, equity is limited to 52.5% of PSO's Capital Structure. If the percentage of equity exceeds the cap, the excess is included in long term debt in the cap structure. This value cannot change prior to 2/1/11. After this date it can only be changed via an approved 205 or 206 filing.

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AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

Line No. 152	REVENUE REQUIREMENT (w/o incentives)	(ln 271)				T	ransmission Amount \$119,915,302		
	(1,70 1,100 1	(=)	Total	Allo	cator		ψσ,σ.σ,σσ <u>=</u>		
153	REVENUE CREDITS	(Note A)		7 1110					
154	Transmission Credits	(Worksheet H)	9,427,721	DA	1.00000	\$	9,427,721		
155	Assoc. Business Development	(Worksheet H)	118,729	DA	1.00000	φ	118,729		
	·	(Worksheet H)		DA	1.00000	φ			
156	Total Revenue Credits		9,546,450			\$	9,546,450		
157	REVENUE REQUIREMENT For All Company Facilities	(In 152 less In 156)				\$	110,368,851		
ME	MEMO: The Carrying Charge Calculations on lines 160 to 165 below is used in calculating project revenue requirements billed on SPP Schedule 11. The total non-incentive revenue requirements for these projects shown on line is included in the total on line 157.								
158			33,398,332	DA	1.00000	\$	33,398,332		
	Revenue Requirement for SPP BPU Regional Facilities (w/o incentives) (Wo	orksheet F)							
159	NET PLANT CARRYING CHARGE (w/o incentives) (Note B)	,							
160	Annual Rate	(In 152/ In 197 x 100%)					17.50%		
161	Monthly Rate	(In 160 / 12)					1.46%		
101	Monthly Rate	(111 100 / 12)					1.4070		
162	NET PLANT CARRYING CHARGE ON LINE 160, W/O DEPRECIATION (w/o	o incentives) (Note B)							
163	Annual Rate	((ln 152 - ln 246) / ln 197 x 100%)					14.05%		
100	Airidal Nate	((III 132 - III 240) / III 197 X 10070)					14.0570		
164	NET PLANT CARRYING CHARGE ON LINE 162, W/O INCOME TAXES, RE	TURN (Note B)							
165	Annual Rate	((ln 152 - ln 246 - ln 268 - ln 269) / ln 197 x 10	00%)				4.21%		
100	/ tillidal Nato	((iii 102 - iii 240 - iii 200 - iii 200) / iii 197 X 10	70 70 1				7.21/0		
166	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (No	ote C) (Worksheet F)					-		

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

	(1)	(2)	(3)	(4	4)	(5)
	RATE BASE CALCULATION	Data Sources (See "General Notes")	<u>TO Total</u>	Allo	cator	Total Transmission
Line No.	GROSS PLANT IN SERVICE	·	NOTE D			
167	Production	(Worksheet A In 1.C)	3,928,084,334	NA	0.00000	-
168	Less: Production ARO (Enter Negative)	(Worksheet A In 2.C) (Worksheet A In 3.C & Ln	(23,048,172)	NA DA	0.00000	-
169	Transmission	278)	1,115,290,032	DA	0.00074	1,046,968,123
170 171	Less: Transmission ARO (Enter Negative) Plus: Transmission Plant-in-Service Additions (Worksheet B)	(Worksheet A In 4.C)	N/A	TP NA	0.93874 0.00000	N/A
172	Plus: Additional Trans Plant on Transferred Assets (Worksheet B)		N/A	NA	0.00000	N/A
173 174	Distribution Less: Distribution ARO (Enter Negative)	(Worksheet A In 5.C) (Worksheet A In 6.C)	1,758,142,067	NA NA	0.00000 0.00000	- -
175	General Plant	(Worksheet A In 7.C)	315,641,257	W/S	0.06280	19,821,344
176	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	(682,710)	W/S	0.06280	(42,872)
177 178	Intangible Plant TOTAL GROSS PLANT	(Worksheet A In 9.C) (sum Ins 167 to 177)	51,808,056 7,145,234,864	W/S GP(h)=	0.06280 0.149750	3,253,394 1,069,999,988
		(cam inc for to 117)	1,110,201,001	GTD=	0.38814	1,000,000,000
179 180	ACCUMULATED DEPRECIATION AND AMORTIZATION Production	(Worksheet A In 12.C)	1,250,235,176	NA	0.00000	_
181	Less: Production ARO (Enter Negative)	(Worksheet A In 12.C)	(2,963,538)	NA NA	0.00000	- -
400		(Worksheet A In 14.C &	000 504 400 000	TD4	0.00500	004 000 040
182 183	Transmission Less: Transmission ARO (Enter Negative)	28.C) (Worksheet A In 15.C)	390,501,480.000	TP1= TP1=	0.92599 0.92599	361,600,310
184	Plus: Transmission Plant-in-Service Additions (Worksheet B)	(vveineriost / iii io.e)	N/A	DA	1.00000	N/A
185	Plus: Additional Projected Deprec on Transferred Assets (Worksheet B)		N/A	DA	1.00000	N/A
186 187	Plus: Additional Transmission Depreciation for 2013 (In 246) Plus: Additional General & Intangible Depreciation for 2013 (In 248+In 249)		N/A N/A	TP1 W/S	0.92599 0.06280	N/A N/A
188	Plus: Additional Accum Deprec on Transferred Assets (Worksheet B)		N/A	DA	1.00000	N/A
189	Distribution	(Worksheet A In 16.C)	658,460,789	NA	0.00000	-
190 191	Less: Distribution ARO (Enter Negative) General Plant	(Worksheet A In 17.C) (Worksheet A In 18.C)	- 167,587,756	NA W/S	0.00000 0.06280	- 10,524,019
192	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	(317,769)	W/S	0.06280	(19,955)
193 104	Intangible Plant	(Worksheet A In 20.C)	38,898,982	W/S	0.06280	2,442,742
194	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 180 to 193)	2,502,402,876			374,547,116
195	NET PLANT IN SERVICE	/ln 167 , ln 160 , ln 100 , ln 101)	0.057.704.504			
196 197	Production Transmission	(ln 167 + ln 168 - ln 180 - ln 181) (ln 169 + ln 170 - ln 182 - ln 183)	2,657,764,524 724,788,552			- 685,367,813.080
198	Plus: Transmission Plant-in-Service Additions (In 171 - In 184)	,	N/A			N/A
199 200	Plus: Additional Trans Plant on Transferred Assets (In 172 - In 185) Plus: Additional Transmission Depreciation for 2013 (-In 186)		N/A N/A			N/A N/A
201	Plus: Additional General & Intangible Depreciation for 2013 (-In 187)		N/A			N/A
202	Plus: Additional Accum Deprec on Transferred Assets (Worksheet B) (-In 18		N/A			N/A
203 204	Distribution General Plant	(ln 173 + ln 174 - ln 189 - ln 190) (ln 175 + ln 176 - ln 191 - ln 192)	1,099,681,278 147,688,560			- 9,274,408
205	Intangible Plant	(ln 177 - ln 193)	12,909,074			810,652
206	TOTAL NET PLANT IN SERVICE	(sum Ins 196 to 205)	4,642,831,988	NP(h)=	0.149791	695,452,873
207	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note E)				
208	Account No. 281.1 (enter negative)	272-273.8.k	· ·	NA		-
209 210	Account No. 282.1 (enter negative) Account No. 283.1 (enter negative)	(Worksheet C, In 1.C & In 3.J) (Worksheet C, In 10.C & Ln 12.J)	(926,406,626) (41,074,933)	DA DA		(138,847,360) (2,331,839)
211	Account No. 190.1	(Worksheet C, In 19.C & Ln 21.J)	197,640,428	DA		19,754,085
212	Account No. 255 (enter negative)	(Worksheet C, In 28.C & Ln 30.J)	(700 044 400)	DA		(404 405 445)
213	TOTAL ADJUSTMENTS	(sum Ins 208 to 212)	(769,841,132)	D.4		(121,425,115)
214	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	1,350,884	DA		504,994
215 216	WORKING CAPITAL Cash Working Capital	(Note F) (1/8 * In 231) (Note G)	1,622,845			1,523,430
217	Transmission Materials & Supplies	(Worksheet D, In 2.(D))	478,573	TP	0.93874	449,256
218 219	A&G Materials & Supplies	(Worksheet D, In 3.(D))	185,074	W/S	0.06280	11,622
219 220	Stores Expense Prepayments (Account 165) - Labor Allocated	(Worksheet D, In 4.(D)) (Worksheet D, In 5.G)	- 119,187,663	GP(h) W/S	0.14975 0.06280	- 7,484,635
221	Prepayments (Account 165) - Gross Plant	(Worksheet D, In 5.F)	1,817,477	GP(h)	0.14975	272,167
222 223	Prepayments (Account 165) - Transmission Only Prepayments (Account 165) - Unallocable	(Worksheet D, In 5.E) (Worksheet D, In 5.D)	- (110,340,325)	DA NA	1.00000 0.00000	-
224	TOTAL WORKING CAPITAL	(sum Ins 216 to 223)	12,951,306	147	3.30000	9,741,111
225	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note H) (Worksheet E, In 7.(B))	(20,792,063)	DA	1.00000	(20,792,063)
226	RATE BASE (sum Ins 206, 213, 214, 224, 225)		3,866,500,984			563,481,800
						. ,

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

(1) (2) (3)

Administrative and General 323 197.5 (Note K) 700,000 (197.5 Act. 50.4 Arrigory Institute and Ceneral Loss: Act. 50.4 Arrigory Institute 323 182.5 (197.5 (Note K) 2,00,000 (197.5 Act. 50.4 Arrigory Institute 323 182.5 (197.5 (Note K) 2,00,000 (197.5 Act. 50.5 Act. 50.5 (Note K) 2,00,000 (197.5 Act. 50.5 Act. 5		EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	<u>TO Total</u>	Allo	<u>cator</u>	Total <u>Transmission</u>
Transcrission	Line						
Less Trail Account 500 Control 500 Con		OPERATION & MAINTENANCE EXPENSE					
Lass: Account 65 Less: sepriess 100% additional (Worksheet), 1 of 10 of 12,195,195 of 12,195,295 of							
Less: expenses 100% assigned to Tolibilide dustomers (Worksheet I, in 14) Total Canadi Albacobs to Transmission Security Sec		Less: Total Account 561	(Note I) 321.84-92.b				
Table DAM Alberteils to Transmission (ps. 277 - 278 - 229 - 239) 12,085,050 TP 0,90874 12,187.4			(Note J) 321.96.b	20,707,467			
Administrative and General General 323, 197, b (Nate K) 70,086,050 232 Less: ACS 502, 1 (Per North Exp. 323, 195, b) (Nate K) 2,800,060 233 Acc. 380.2, Misc. Cent. Exp. 323, 191, b) 2,800,060 234 Acc. 380.2, Misc. Cent. Exp. 323, 191, b) 2,800,060 235 Acc. 380.2, Misc. Cent. Exp. 323, 191, b) 2,900,060 236 Acc. 380.2, Misc. Cent. Exp. 323, 192, b) (Per North Exp. 323, 191, b) 2,900,060 237 Balancar of A. & G. (Per North Exp. 323, 192, b) (Per North Exp. 323, 191, b) 2,900,060 238 Acc. 380.2, Misc. Cent. Exp. 323, 192, b) (Per North Exp. 323, 192, b) (Per North Exp. 323, b) (Per	230	Less: expenses 100% assigned to TO billed customers (Worksheet I, In 14)		<u>\$0</u>			
Less: Act. 264, Properly Insturance 234 Act. 1987, Properly Insturance 234 Act. 1987, Rep. Com. Ep. 232 Act. 1981, Son. Advort. Ep. 232 Act. 1981, Son. Advort. Ep. 233 Act. 1981, Son. Advort. Ep. 234 Act. 1981, Son. Advort. Ep. 235 Act. 1981, Son. Advort. Ep. 236 Act. 1981, Son. Advort. Ep. 237 Ballance of A.S. G. 238 Plus: Act. 264, Properly Insturance (in. 239) 238 Act. 1981, Son. Advort. Ep. 239 Act. 1981, Son. Advort. Ep. 230 Act. 1982, Thoratises Specific (in. 239) 239 Act. 1981, Son. Advort. Ep. 240 Act. 281, Properly Insturance (in. 239) 240 Act. 282, Thoratises Specific (in. 239) 241 Act. 281, Son. Ep Trans. (in. 239) 242 Act. 281, Son. Ep Trans. (in. 231) 243 Act. 281, Son. Ep Trans. (in. 231) 244 Control 282, Adjustment of the Control Worksheet I in 28, (E) (Note L) 245 Act. 282, Adjustment of the Control Adjustment (in. 231 to 241 less in 242) 246 Ep. 247 TOTAL. O. & MEXPENSE (in. 231 + in. 243) 248 Ep. 249 Ep. Control And MORTIZATION EXPENSE (in. 231 + in. 243) 249 Ep. 240 Ep. Control And MORTIZATION EXPENSE (in. 231 + in. 243) 240 Ep. 241 Tarks Do. Adjustment of the Control Adjustment (Worksheet I) 242 Ep. 243 Ep. 244 Ep. 245 Ep. 246 Ep. 247 Plus: Transmission Plant-in-Service Adjustment (Worksheet II) 248 Ep. 249 Ep. 240 Ep. 240 Ep. 241 Ep. 241 Ep. 242 Ep. 243 Ep. 244 Ep. 245 Ep. 245 Ep. 246 Ep. 247 Plus: Transmission Plant-in-Service Adjustment (Worksheet II) 248 Ep. 249 Ep. 240 Ep. 240 Ep. 241 Ep. 241 Ep. 242 Ep. 243 Ep. 244 Ep. 245 Ep. 246 Ep. 247 Ep. 248 Ep. 248 Ep. 249 Ep. 249 Ep. 240 Ep. 240 Ep. 241 Ep. 241 Ep. 242 Ep. 243 Ep. 244 Ep. 245 Ep. 246 Ep. 247 Ep. 248 Ep. 248 Ep. 248 Ep. 249 Ep. 249 Ep. 249 Ep. 240 Ep. 240 Ep. 241 Ep. 241 Ep. 242 Ep. 242 Ep. 243 Ep. 244 Ep. 245 Ep. 246 Ep. 247 Ep. 248 Ep. 248 Ep. 248 Ep. 248 Ep. 249 Ep. 249 Ep. 240 Ep. 240 Ep. 241 Ep. 241 Ep. 242 Ep. 242 Ep. 243 Ep. 244 Ep. 245 Ep. 246 Ep. 247 Ep. 248 Ep. 248 Ep. 248 Ep. 248 Ep. 249 Ep. 249 Ep. 249 Ep. 249 Ep. 249 Ep. 240 Ep. 240 Ep. 241 Ep. 241 Ep. 241 Ep. 242 Ep. 242 Ep. 242 Ep. 243 Ep. 244 Ep. 245 Ep.	231	Total O&M Allocable to Transmission	(Ins 227 - 228 - 229 - 230)	12,982,756	TP	0.93874	12,187,441
224 Aoct. 928, Reg. Com. Exp. 323, 198.b 320, 602.8 235 Aoct. 921, Reg. Com. Exp. 323, 198.b 225, 198.6 236 Reg. Com. Exp. 323, 198.b 225, 198.6 237 Bellemon of A. D. Com. Exp. 198.6 238 Plans Acct. 928, Prophyrimatrica (19.22 - sum in 233 to in 236) (19.23), 198.6 239 Acct. 928, Franchistion Specific (19.22 - sum in 233 to in 236) (19.23), 198.6 239 Acct. 928, Franchistion Specific (19.22 - sum in 233 to in 236) (19.23), 198.6 240 Acct. 928, Franchistion Specific (19.22 - sum in 233 to in 236) (19.23), 198.6 241 Acct. 928, Franchistion Specific (19.22 - sum in 233 to in 236) (19.23), 198.6 242 Lese, PSOP Epiperse in Acc. 928, Adjustment (19.22 - sum in 234 to in 234 t	232	Administrative and General	323.197.b (Note K)	70,056,050			
224 Aoct. 928, Reg. Com. Exp. 323, 198.b 320, 602.8 235 Aoct. 921, Reg. Com. Exp. 323, 198.b 225, 198.6 236 Reg. Com. Exp. 323, 198.b 225, 198.6 237 Bellemon of A. D. Com. Exp. 198.6 238 Plans Acct. 928, Prophyrimatrica (19.22 - sum in 233 to in 236) (19.23), 198.6 239 Acct. 928, Franchistion Specific (19.22 - sum in 233 to in 236) (19.23), 198.6 239 Acct. 928, Franchistion Specific (19.22 - sum in 233 to in 236) (19.23), 198.6 240 Acct. 928, Franchistion Specific (19.22 - sum in 233 to in 236) (19.23), 198.6 241 Acct. 928, Franchistion Specific (19.22 - sum in 233 to in 236) (19.23), 198.6 242 Lese, PSOP Epiperse in Acc. 928, Adjustment (19.22 - sum in 234 to in 234 t	233	Less: Acct. 924, Property Insurance	323.185.b	2,550,069			
Act. 99.01. Gen. Autwent. Exp. 32.3 191.b 700,083.1	234		323.189.b	3,205,062			
286 Acc. 930.2, Nisc. Gen. Exp. 323.102.b (2,196.370) 78 Bullarco ol A & G. (2) Plus Acc. 104, Property Insurance (2.2)	235		323.191.b	206,363			
Balance of A & G	236	·	323.192.b	(2,195,376)			
239 Phus Acct. 924, Proporty Insurance (in. 233) 2,550,068 GP(h) 0.14975 3818, 293 239 Acct. 924, Proporty Insurance (in. 233) 2,550,068 CP(h) 0.14975 3418, 2429 240, 242 240, 240, 242 2			(In 232 - sum In 233 to In 236)		W/S	0.06280	4,162,813
Act. 262 - Transmission Spocific Workshord In 26.(E) (Note L) 510,464 TP 0.38874 479.1 200 Act. 262 - Transmission Spocific Workshord In 26.(E) (Note L) 19,934 TP 0.38874 211 Act 2630.2 - Misc Cent. Exp Trans Workshord In 49.(E) (Note L) 126.425 DA 1.0000 224 Lace PROP Expense in Act. 2567 Adjustment Workshord In 49.(E) (Note L) 488.599 W/S 0.00280 225 A & G Soldout Color			,				381,873
240				· · · ·			479,193
Act Star Property Propert		·		•			18,713
242 Lass: RBOP Espenses In Acct. 926 Adjustment Worksheet Jin 10.C (Note M) 468.809 (90.27915				•			126,425
A & G Subtotal (sum ins 237 to 241 leas in 242) 68,027,915 5,139,55 TOTAL O & M EXPENSE (in 231 + in 249) 82,010,671 17,327,027 DEPRECIATION AND AMORTIZATION EXPENSE 396.7.1 25,189,839 TP 0,99874 23,646,7 Plus: Transmission Plant-in-Service Additions (Worksheet B) N/A (sum ins 246 in 249) 18,015,192 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,257,394 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,257,394 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 246 in 249) 42,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 January Control (sum ins 247,765) 40,795 W/S 0,06280 5,03,8 Ja				•			29,446
DEPRECIATION AND AMORTIZATION EXPENSE 336.7.1 25.189.839 TP 0.93874 23.646.7		·			VV/O	0.00200	5,139,571
25, 189,839 TP 0,93874 23,646.7	244	TOTAL O & M EXPENSE	(ln 231 + ln 243)	82,010,671			17,327,013
25, 189,839 TP 0,93874 23,646.7	245	DEPRECIATION AND AMORTIZATION EXPENSE					
Puts: Transmission Plant-in-Service Additions (Worksheet B) 336.101 8.018.403 W/S 0.06290 503.5			336.7 f	25 189 839	TP	n 93874	23 646 727
248 General 336.1.1 8.018.403 WS 0.06280 503.5 249 Intangible 336.1.1 8.059.152 WS 0.06280 503.8 250 TOTAL DEPRECIATION AND AMORTIZATION (sum ins 246 to 249) 42.267,394 WS 0.06280 24,719.1 251 TAXES OTHER THAN INCOME (Note N) 252 Labor Related Payroll Worksheet L, Col. D 5.866,598 WS 0.06280 368.4 253 Payroll Worksheet L, Col. C 38,769.319 GP(h) 0.14975 5.955.4 254 Plant Related Gross Receipts/Sales & Use Worksheet L, Col. C 39,769.319 GP(h) 0.14975 5.955.4 256 Gross Receipts/Sales & Use Worksheet L, Col. E 5.048,397 NA 0.00000 CF7 Other Worksheet L, Col. E 21,326,802 GP(h) 0.14975 3.193.6 257 Other Worksheet L, Col. E 21,326,802 GP(h) 0.14975 3.193.6 258 TOTAL OTHER TAXES (sum ins 253 to 257) 72.011,116 10.116 (SIT) (1 - FIT) (1 - SIT) (1 - FIT) (1 - FIT) (1 - SIT) (1 - FIT) (1 - FIT) (1 - SIT) (1 - FIT)			000.7.1			0.0007 4	
249 Inlangible 336.1.f 9.059.152 W/S 0.06280 56.8.8		·	336 10 f		\//\\$	0.06280	
250 TOTAL DEPRECIATION AND AMORTIZATION (sum lns 246 to 249) 42,267,394 24,719,1							·
252					VV/S	0.00280	24,719,147
252	054	TAVES OTHER THAN INCOME	(Nata NI)				
Payroll Payr			(Note IV)				
Plant Related Property Worksheet L, Col. C 39,769,319 GP(h) 0.14975 5,956,4			Warkshoot I Cal D	F 966 F09	\\/\C	0.00000	200 405
255 Property Worksheet L, Col. C 39,769,319 GP(h) 0.14975 5,955,4			Worksneet L, Col. D	5,866,598	VV/S	0.06280	368,405
256 Gross Receipts/Sales & Use Worksheet L, Col. F 5,048,397 NA 0,00000			Warden at L. Oal. O	20.700.040	OD(k)	0.44075	F 055 404
257 Other			•				5,955,461
Total Other Taxes		·	•	· · · · · · · · · · · · · · · · · · ·			-
INCOME TAXES			•		GP(h)	0.14975	3,193,692
T=1 - {{\(1\) - S\\ T\) *\(1\) - F\\ T\) *\(1\) - F\\ T\) *\(1\) - F\\ T\) *\(1\) + F\\ T\) *\(1\) + S\\ T\) *\(1\) - S\\ T\) *\(1\) - F\\ T\) *\(1\) - S\\ T\) *\(1\) + S\\ T\) *\(1\) - F\\ T\) *\(1\) - (\(1\) - (\(1\) - T\) \\ \(1\) - (\(1\) - (\(1\) - T\) \\ \(1\) - (\(1\) - (\(1\) - T\) \\ \(1\) - (\(1\) - T\) = \\ \(1\) \\ \(1\) + T\\ \(1\) - (\(1\) - T\) = \\ \(1\) \\ \(1\) \\ \(1\) \\ \(1\) \\\\\\\\\\	258	TOTAL OTHER TAXES	(sum Ins 253 to 257)	72,011,116			9,517,558
260 T=1-{{(1 - SIT)^* (1 - FIT)^* (1 - FIT	259	INCOME TAXES	(Note O)				
262 where WCLTD=(In 298) and WACC = (In 301) 263 and FIT, SIT & p are as given in Note O. 264 GRCF=1 / (1 - T) = (from In 260) 265 Amortized Investment Tax Credit (enter negative) (FF1 p.114, In 19.c) 266 Income Tax Calculation (In 261 * In 269) 133,274,761 267 ITC adjustment (In 264 * In 265) (882,807) NP(h) 0.14979 (132,2 268 TOTAL INCOME TAXES (sum Ins 266 to 267) 132,391,954 NP(h) 0.14979 (132,2 269 RETURN ON RATE BASE (Rate Base*WACC) (In 226 * In 301) 330,204,201 48,122,0 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 657,290 DA 1,00000 657,2 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum Ins 244, 250, 258, 268, 269, 270) 119,633,5 119,633,5 272 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 1,553,295 DA 281,7	260	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		37.75%			
262 where WCLTD=(In 298) and WACC = (In 301) 263 and FIT, SIT & p are as given in Note O. 264 GRCF=1 / (1 - T) = (from In 260) 265 Amortized Investment Tax Credit (enter negative) (FF1 p.114, In 19.c) 266 Income Tax Calculation (In 261 * In 269) 133,274,761 267 ITC adjustment (In 264 * In 265) (882,807) NP(h) 0.14979 (132,2 268 TOTAL INCOME TAXES (sum Ins 266 to 267) 132,391,954 NP(h) 0.14979 (132,2 269 RETURN ON RATE BASE (Rate Base*WACC) (In 226 * In 301) 330,204,201 48,122,0 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 657,290 DA 1,00000 657,2 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX 659,542,627 119,633,5 272 (sum Ins 244, 250, 258, 268, 269, 270) DA 281,7 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 1,553,295 DA 281,7	261	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		40.36%			
263 and FIT, SIT & p are as given in Note O. 264 GRCF=1 / (1 - T) = (from In 260) 265 Amortized Investment Tax Credit (enter negative) 266 Income Tax Calculation 267 ITC adjustment 268 ITC adjustment 269 (In 264 * In 265) 269 RETURN ON RATE BASE (Rate Base*WACC) 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX 272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 1 1.6064 1.6064 1							
264 GRCF=1 / (1 - T) = (from In 260) 265 Amortized Investment Tax Credit (enter negative) 266 Income Tax Calculation 267 ITC adjustment 268 TOTAL INCOME TAXES 269 RETURN ON RATE BASE (Rate Base*WACC) 260 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 270 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX 271 (sum Ins 244, 250, 258, 268, 269, 270) 272 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 263 Income Tax Calculation 264 In 269 (In 261 In 269) 265 In 33,274,761 267 (In 264 In 265) 268 (882,807) 279 NP(h) 270 O.14979 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX 272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 274 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 275 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 276 DA 277 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 278 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K)	263						
Amortized Investment Tax Credit (enter negative) (FF1 p.114, In 19.c) (549,547) (549,				1.6064			
ITC adjustment			(FF1 p.114, ln 19.c)				
ITC adjustment	266	Income Tax Calculation	(In 261 * In 269)	133.274.761			19,422,703
268 TOTAL INCOME TAXES (sum lns 266 to 267) 132,391,954 19,290,4 269 RETURN ON RATE BASE (Rate Base*WACC) (ln 226 * ln 301) 330,204,201 48,122,0 270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, ln 2) 657,290 DA 1.00000 657,2 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum lns 244, 250, 258, 268, 269, 270) 659,542,627 119,633,5 272 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 1,553,295 DA 281,7			,	· · · ·	NP(h)	0.14979	(132,236)
270 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX 272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 274 A 281,7		•	,		()		19,290,467
271 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX 272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 274 DA 281,7	269	RETURN ON RATE BASE (Rate Base*WACC)	(In 226 * In 301)	330,204,201			48,122,077
272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 281,7	270	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2)	657,290	DA	1.00000	657,290
272 (sum Ins 244, 250, 258, 268, 269, 270) 273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 281,7	074	DEVENUE DECLUDEMENT DEECDE TEVAS CROSS MARCINITAV		CEO E 40 CO7			110 600 550
273 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 1,553,295 DA 281,7				009,042,021			119,033,552
	2/2	(sum ins 244, 250, 258, 268, 269, 270)					
274 REVENUE REQUIREMENT INCLUDING GROSS MARGIN TAX 661,095,922 119,915,3	273	TEXAS GROSS MARGIN TAX (Note P) (Worksheet K)		1,553,295	DA		281,750
	274	REVENUE REQUIREMENT INCLUDING GROSS MARGIN TAX		661,095,922			119,915,302

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AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

SUPPORTING CALCULATIONS

In							
No.	TRANSMISSION PLANT INCLUDED IN SPP TARIFF						
275	Total transmission plant	(In 169)					1,115,290,032
276	Less transmission plant excluded from SPP Tariff (Worksheet A, In 23	a Col. (C)) (Note Q)					40,965,614
277	Less transmission plant included in OATT Ancillary Services (Workshop	et A, In 23, Col. (C)) (Note R)					27,356,295
278	Transmission plant included in SPP Tariff	(ln 275 - ln 276 - ln 277)					1,046,968,123
279	Percent of transmission plant in SPP Tariff	(In 278 / In 275)					TP= 0.93874
				Payroll Billed from			
280	WAGES & SALARY ALLOCATOR (W/S)	(Note S)	Direct Payroll	AEP Service Corp.	Total		
281	Production	354.20.b	32,535,900	11,747,964	44,283,864	NA 0.00000	-
282	Transmission	354.21.b	2,701,085	3,504,350	6,205,435	TP 0.93874	5,825,294
283	Regional Market Expenses	354.22.b	0	0	-	NA 0.00000	-
284	Distribution	354.23.b	25,828,696	2,487,976	28,316,672	NA 0.00000	-
285	Other (Excludes A&G)	354.24,25,26.b	8,228,953	5,728,879	13,957,832	NA 0.00000	<u> </u>
286	Total	(sum lns 281 to 285)	69,294,634	23,469,169	92,763,803		5,825,294
287	Transmission related amount					\	N/S= 0.06280
288	WEIGHTED AVERAGE COST OF CAPITAL (WACC)						\$
289		Long Term Interest (Worksh	neet M. In. 21. col. (D))				113,677,430
290		Preferred Stock Dividends (. , ,	ol. (D))			-
291	Development of Common Stock:	(, , , , , ,	(//			
292	•	Proprietary Capital (112.16.	c)				2,021,211,699
293		Less Preferred Stock (In 299					, , , , <u>-</u>
294		Less Account 216.1 (112.12	,				19,193,896
295		Less Account 219.1 (112.15	•				(17,862,454)
296		Common Stock (In 292 - In 2	,				2,019,880,257
		•	,	Capital Structure P	ercentages	Cost	, , ,
297		\$		Actual	Cap Limit	(Note T)	Weighted
	Long Torm Dobt (Workshoot M. In. 21, and (P))	1,960,200,000		49.25%	0.00%	0.0580	0.0286
298	Long Tenn Debt (Worksheet W, III. 21, Col. (D))						
298 299	Long Term Debt (Worksheet M, In. 21, col. (B)) Preferred Stock (Worksheet M, In. 22, col. (B))	-		0.00%	0.00%	-	0.0000
298 299 300	Preferred Stock (Worksheet M, In. 22, col. (B)) Common Stock (In 296) (Note U)	- 2,019,880,257		0.00% 50.75%	0.00% 0.00%	- 11.2%	0.0000 0.0568
299	Preferred Stock (Worksheet M, In. 22, col. (B))	-				11.2% WA	

AEP West SPP Member Companies
Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2012 with Year-End Rate Base Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

<u>Letter</u> <u>Notes</u>

- General Notes: a) References to data from FERC Form 1 are indicated as: page#.line#.col.#
 b) If transmission owner ("TO") functionalizes its costs to transmission on its books, those costs are shown above and on any supporting workpapers rather than using the allocations above.
- A The revenue credits shall include a) amounts received directly from the SPP for PTP transmission services, b) direct assignment charges for transmission facilities, the cost of which has been included in the TCOS, and c) amounts from customers taking service under grandfathered agreements, where the demand is not included in the rate divisor. Revenues associated with FERC annual charges, gross receipts taxes, ancillarly services or facilities excluded from the TCOS are not included as revenue credits. Revenue from Transmission Customers whose coincident peak loads are included in the DIVISOR of the load-ratio share calculation are not included as revenue credits. See Worksheet A for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for facilities and any upgrades.
- This additional revenue requirement is determined using a net plant carrying charge (fixed carrying charge or FCR) approach. Worksheet G shows the calculation of the projected revenue requirement for each project, based on an FCR rate caclulated from inputs on this TCOS. Line 166 shows the incremental ARR for projects receiving incentives as accepted by FERC. These individual additional revenue requirements are summed for the true-up year, and included here.
- D The gross plant, accumulated depreciation, and deferred tax balances included in rate base are reduced by the removal of balances related to Asset Retirement Obligations (AROs). This is to comply with the requirements of FERC Rulemaking RM02-7-000.
- The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations.

 The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense as discussed in Note N. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. Transmission allocations are shown on Worksheet B.
- F Identified as being transmission related or functionally booked to transmission.

Μ

- G Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission on line 231.
- Consistent with Paragraph 657 of Order 2003-A, the amount on line is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 270.
- I Removes the expense booked to transmission accounts included in the development of OATT ancillary services rates, including all of Account No. 561.
- J Removes cost of transmission service provided by others to the extent such service is not incurred to provide the SPP service at issue.
- K General Plant and Administrative & General expenses may be functionalized based on allocators other then the W/S allocator. Full documentation must be provided.
- Expense reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet D allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
 - This line complies with FERC requirement that Other Post Employment Benefits remain constant from an initial test year. Changes in this base amount can only occur via approval of a 205 filing.
- N Includes only FICA, unemployment, property and other assessments charged in the current year. Gross Receipts tax, Sales & Use taxes, and taxes related to income are excluded.
- The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =
 "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a
 work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that
 elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce
 rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)
 (In 260) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.

Inputs Required: FIT = 35.00%SIT = 4.23% (State Income Tax Rate or Composite SIT. Worksheet K) p = 0.00% (percent of federal income tax deductible for state purposes)

- P Effective January 1, 2007, Texas instituted a gross margin tax. This tax is calculated on the Texas allocated revenue of the Company, reduced by 30% to derive a "Gross Margin" for the Company. The tax rate of one percent is assessed on the resulting amount. The jurisdictional allocator is based on transmission demand allocators.
- Q Removes plant excluded from the OATT because it does not meet the SPP's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- R Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note Q.
- S Includes functional wages & salaries incurred by parent company service corporation for support of the operating company.
- T Long Term Debt cost rate = long-term interest (ln 289) / long term debt (ln 298). Preferred Stock cost rate = preferred dividends (ln 290) / preferred outstanding (ln 299). Common Stock cost rate (ROE) = 11.2%, the rate accepted by FERC in Docket No. ER07-XXX. It includes an additional 50 basis points for remaining a member of the SPP RTO.
- Per Settlement, equity is limited to 52.5% of PSO's Capital Structure. If the percentage of equity exceeds the cap, the excess is included in long term debt in the cap structure. This value cannot change prior to 2/1/11. After this date it can only be changed via an approved 205 or 206 filling.

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

Line No.						Tr	ansmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(ln 107)					\$117,265,418
			Total	Alloc	cator		
2	REVENUE CREDITS	(Note A)					
3	Transmission Credits	(Worksheet H)	9,427,721	DA	1.00000	\$	9,427,721
4	Assoc. Business Development	(Worksheet H)	118,729_	DA	1.00000	\$	118,729
5	Total Revenue Credits		9,546,450			\$	9,546,450
6	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2)					\$107,718,968
MEMO:	, ,	w is used in calculating project revenue requirements or these projects shown on line 7 is included in the total		centive revenue			
7			24,538,788	DA	1.00000	\$	24,538,788
	Trued-Up Revenue Requirement for SPP BPU Regional F	acilities (w/o incentives) (Worksheet G)				·	, ,
8	NET PLANT CARRYING CHARGE (w/o incentives) (Note	, ,					
9	Annual Rate	(In 1/ In 39 x 100)					18.44%
10	Monthly Rate	(ln 9 / 12)					1.54%
11	NET PLANT CARRYING CHARGE ON LINE 9, W/O DEF	PRECIATION (w/o incentives) (Note B)					
12	Annual Rate	((ln 1 - ln 83) / ln 39 x 100)					14.72%
13	NET PLANT CARRYING CHARGE ON LINE 11, W/O INC	COME TAXES, RETURN (Note B)					
14	Annual Rate	((ln 1 - ln 83 - ln 104 - ln 105) / ln 39 x 100)					4.66%
15	ADDITIONAL REVENUE REQUIREMENT for projects w/	incentive ROE's (Note C) (Worksheet G)					-

(5)

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

(1) (2)

Part			Data Sources				Total
Modern M	Lino	RATE BASE CALCULATION	(See "General Notes")		Alloc	ator	<u>Transmission</u>
Froutton		GROSS PLANT IN SERVICE		<u>NOTE D</u>			
Less Perduction AGD (Fine Megative)			(Worksheet A In 1 F)	3 120 125 845	NA	0.00000	-
Tomornisation			,	· · · · ·			_
			,			0.0000	988 572 309
Distribution			,	1,051,059,060		0.04004	900,372,309
Least Distribution APO (Enter Negative) (Worlsheek A in 16.1) 312,045,367 W/S 0,00258 19,022,022 10,005 10,007 W/S			,	4 740 500 075			-
General Plant (Wilsteiner A in T.E) 312.045.367 W/S			,	1,716,530,275			-
Loss: Gerorard Plant ARO (Enter Negative) (Workshord Alin AB) 55.50.055 W75 0.00288 3.496.274		· · · · · · · · · · · · · · · · · · ·	,	-			-
Interngible Plant			,	, , ,			
TOTAL GROSS PLANT (sum ins 16 to 24) 6,222-440,282 0PTUs 0,16322 1,011,643,915 0PTUs 0,1721 0	23	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.E)	(682,710)			(42,930)
ACCUMULATED DEPRECIATION AND AMORTIZATION Vivinshisted A in 12E 1,233,225,653 NA	24	Intangible Plant	(Worksheet A In 9.E)	55,540,051_	W/S	0.06288	3,492,474
ACCUMULATED DEPRECIATION NO ANORTIZATION CVorisheed A in 12.E) 1.239.229.883 NA 0.00000 0	25	TOTAL GROSS PLANT	(sum Ins 16 to 24)	6,232,440,282	GP(TU)=		1,011,643,915
Production (Vorlathmet An I 2E) 1280/226.663 NA 0.00000					GTD=	0.37991	
Less Production ARO (Enter Negative) (Worksheel A.In 13.E) (Worksheel A.In 14.E. 28.E) 388.681.72 TP1= 0.02622 352.04.213							
Transmission			,	· · · · ·			-
Laus. Transmission ARO (Enter Negative)	28	Less: Production ARO (Enter Negative)	(Worksheet A In 13.E)	(2,670,877)		0.00000	-
Distribution ARO (Enter Negative)	29	Transmission	(Worksheet A In 14.E & 28.E)	380,681,724	TP1=	0.92622	352,594,213
Distribution Worksheet A In 16.E 94.8.211.097 NA 0.00000 - 3	30	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.E)	<u>-</u>	TP1=	0.92622	-
2			(Worksheet A In 16.E)	648.211.097	NA	0.00000	-
General Plant (Worksheet A. In 19.E) (16),385,261 W.S 0.06288 10,097,935			,				-
Less: General Plant ARO (Enter Negative) (Morisheet A. In 19.E) (300_147) W/S 0.06288 (19.000)		· · · · · · · · · · · · · · · · · · ·	,	160 585 261			10 097 935
Total Account No. 281.1 (enter negative) A3,662,211 WS 0,66288 2,714,381			,	· · ·			• •
TOTAL ACCUMULATED DEPRECIATION (sum ins 27 to 35) 2,488,896,019 385,887,830			,	,			· · · · · · · · · · · · · · · · · · ·
NET PLANT IN SERVICE 1,800,792,845 1,800		<u> </u>	,		W/S	0.00200	
1,886,792,846 1,72 - 16,72 - 16,73 1,886,792,846 1,72 - 16,73 1,72 - 16,73 1,73 - 16,73 - 16,73 1	36	TOTAL ACCUMULATED DEPRECIATION	(sum ins 27 to 35)	2,468,896,919			365,387,530
1,886,792,846 1,72 - 16,72 - 16,73 1,886,792,846 1,72 - 16,73 1,72 - 16,73 1,73 - 16,73 - 16,73 1	37	NET PLANT IN SERVICE					
39 Transmission			(In 16 + In 17 - In 27 - In 28)	1.860.792.845			-
A			,	· · · · ·			635 978 096
41 General Plant			,				-
A2 Intangible Plant			,	· · · · ·			9 500 196
43 TOTAL NET PLANT IN SERVICE (sum Ins 38 to 42) 3,763,543,363 NP(TU)= 0.17171 646,256,355 44 DEFERRED TAX ADJUSTMENTS TO RATE BASE (Note E) 45 Account No. 281.1 (enter negative) 272-273.8 k			,	·			
Account No. 281.1 (enter negative)		<u> </u>	,		ND/TU_	0.47474	
Account No. 281.1 (enter negative) 272-273.8 k	43	TOTAL NET PLANT IN SERVICE	(Sum ms 30 to 42)	3,763,343,363	NP(10)=	0.17171	646,236,363
Account No. 281.1 (enter negative) 272-273.8 k	44	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note F)				
46 Account No. 2821 (enter negative) (Worksheet C, In 7.C & In 9.J) (731,483,769) DA (119,535,836) 47 Account No. 282.1 (enter negative) (Worksheet C, In 16.C & Ln 18.J) (41,839,303) DA (2,850,300) 48 Account No. 190.1 (Worksheet C, In 34.C & Ln 36.J) DA 11,208,971 49 Account No. 255 (enter negative) (Worksheet C, In 34.C & Ln 36.J) DA 1.750,800 50 TOTAL ADJUSTMENTS (sum Ins 45 to 49) (638,809,794) DA 50,494 51 PLANT HELD FOR FUTURE USE (Worksheet A In 29.E & In 30.E) 1,550,884 DA 50,499 52 WORKING CAPITAL (Note F) 1,622,845 DA 1,525,493 54 Transmission Materials & Supplies (Worksheet D, In 2.(F)) 314,873 TP 0,94001 295,984 55 AGG Materials & Supplies (Worksheet D, In 3.(F)) 153,301 W/S 0.06288 9,640 56 Stores Expense (Worksheet D, In 7.F) 116,626,371 W/S 0.06288 7,333,709 57 Prepayments (Account 165) - Caross Plant (Worksheet D, In 7.F) 1,497,939			` ,	_	NΔ		_
47 Account No. 283.1 (enter negative) (Worksheet C, In 16.C & Ln 18.J) (41,839,303) DA (2,850,300) 48 Account No. 190.1 (Worksheet C, In 25.C & Ln 27.J) 134,513,278 DA 11,208,971 49 Account No. 255 (enter negative) (Worksheet C, In 34.C & Ln 36.J) - - 50 TOTAL ADJUSTMENTS (sum Ins 45 to 49) (638,809,794) DA 504,994 51 PLANT HELD FOR FUTURE USE (Worksheet A In 29.E & In 30.E) 1,350,884 DA 504,994 52 WORKING CAPITAL (Note F) 1,622,845 TP 0,4001 295,994 54 Transmission Materials & Supplies (Worksheet D, In 2.(F)) 314,873 TP 0,94001 295,994 55 A&G Materials & Supplies (Worksheet D, In 3.(F)) 153,301 W/S 0,06288 9,640 56 Stores Expense (Worksheet D, In 3.(F)) 153,301 W/S 0,06288 9,640 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, In 7.G) 116,626,371 W/S 0,06288 <td< td=""><td></td><td>,</td><td></td><td>(721 492 760)</td><td></td><td></td><td>(110 525 926)</td></td<>		,		(721 492 760)			(110 525 926)
48 Account No. 190.1 (Worksheet C, in 25.C & Ln 27.J) 134,513,278 DA 11,208,971 49 Account No. 255 (enter negative) (Worksheet C, in 34.C & Ln 36.J) - DA - 50 TOTAL ADJUSTMENTS (sum Ins 45 to 49) (638,809,794) DA (111,177,164) 51 PLANT HELD FOR FUTURE USE (Worksheet A In 29.E & In 30.E) 1,350,884 DA DA 504,994 52 WORKING CAPITAL (Note F) -		· · · · · · · · · · · · · · · · · · ·	,				
Account No. 255 (enter negative)		`					· · · · · · · · · · · · · · · · · · ·
50 TOTAL ADJUSTMENTS (sum Ins 45 to 49) (638,809,794) (111,177,164) 51 PLANT HELD FOR FUTURE USE (Worksheet A In 29.E & In 30.E) 1,350,884 DA 504,994 52 WORKING CAPITAL (Note F) 53 Cash Working Capital (1/8 * In 68) (Note G) 1,525,493 54 Transmission Materials & Supplies (Worksheet D, In 2.(F)) 314,873 TP 0.94001 295,984 55 A&G Materials & Supplies (Worksheet D, In 3.(F)) 153,301 W/S 0.06288 9,640 56 Stores Expense (Worksheet D, In 4.(F)) - GP(TU) 0.16232 - 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, In 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, In 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.D) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Works			· · · · · · · · · · · · · · · · · · ·	134,513,278			11,208,971
51 PLANT HELD FOR FUTURE USE (Worksheet A In 29.E & In 30.E) 1,350,884 DA 504,994 52 WORKING CAPITAL (Note F) 1,622,845 1,525,493 53 Cash Working Capital (1/8 * In 68) (Note G) 1,622,845 TP 0.94001 295,984 54 Transmission Materials & Supplies (Worksheet D, In 2.(F)) 314,873 TP 0.94001 295,984 55 A&G Materials & Supplies (Worksheet D, In 3.(F)) 153,301 W/S 0.06288 9,640 56 Stores Expense (Worksheet D, In 4.(F)) - GP(TU) 0.16232 - 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, In 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, In 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.D) - DA 1,00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D)		·	•	-	DA		
52 WORKING CAPITAL (Note F) 1,525,493 53 Cash Working Capital (1/8 * In 68) (Note G) 1,622,845 T.525,493 54 Transmission Materials & Supplies (Worksheet D, In 2,(F)) 314,873 TP 0.94001 295,984 55 A&G Materials & Supplies (Worksheet D, In 3,(F)) 153,301 W/S 0.06288 9,640 56 Stores Expense (Worksheet D, In 4,(F)) - GP(TU) 0.16232 - 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, In 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, In 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D) (107,808,734) NA 0.0000 - 61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696)	50	TOTAL ADJUSTMENTS	(sum Ins 45 to 49)	(638,809,794)			(111,177,164)
53 Cash Working Capital (1/8 * ln 68) (Note G) 1,622,845 1,525,493 54 Transmission Materials & Supplies (Worksheet D, ln 2.(F)) 314,873 TP 0.94001 295,984 55 A&G Materials & Supplies (Worksheet D, ln 3.(F)) 153,301 W/S 0.06288 9,640 56 Stores Expense (Worksheet D, ln 4.(F)) - GP(TU) 0.16232 - 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, ln 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, ln 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, ln 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, ln 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (Sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696)	51	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.E & In 30.E)	1,350,884	DA		504,994
53 Cash Working Capital (1/8 * ln 68) (Note G) 1,622,845 1,525,493 54 Transmission Materials & Supplies (Worksheet D, ln 2.(F)) 314,873 TP 0.94001 295,984 55 A&G Materials & Supplies (Worksheet D, ln 3.(F)) 153,301 W/S 0.06288 9,640 56 Stores Expense (Worksheet D, ln 4.(F)) - GP(TU) 0.16232 - 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, ln 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, ln 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, ln 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, ln 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (Sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696)	52	WORKING CAPITAI	(Note F)				
54 Transmission Materials & Supplies (Worksheet D, In 2.(F)) 314,873 TP 0.94001 295,984 55 A&G Materials & Supplies (Worksheet D, In 3.(F)) 153,301 W/S 0.06288 9,640 56 Stores Expense (Worksheet D, In 4.(F)) - GP(TU) 0.16232 - 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, In 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, In 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696) 62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.00000 (20,111,696)			,	1 622 8/15			1 525 /03
55 A&G Materials & Supplies (Worksheet D, In 3.(F)) 153,301 W/S 0.06288 9,640 56 Stores Expense (Worksheet D, In 4.(F)) - GP(TU) 0.16232 - 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, In 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, In 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696) 62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.00000 (20,111,696)		g ,	, , ,		TD	0.04001	
56 Stores Expense (Worksheet D, In 4.(F)) - GP(TU) 0.16232 - 57 Prepayments (Account 165) - Labor Allocated (Worksheet D, In 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, In 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696) 62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.00000 (20,111,696)		• •		•			· ·
57 Prepayments (Account 165) - Labor Allocated (Worksheet D, In 7.G) 116,626,371 W/S 0.06288 7,333,709 58 Prepayments (Account 165) - Gross Plant (Worksheet D, In 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696) 62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.00000 (20,111,696)		• •		100,001			9,040
58 Prepayments (Account 165) - Gross Plant (Worksheet D, In 7.F) 1,497,939 GP(TU) 0.16232 243,144 59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696) 62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.00000 (20,111,696)		•		440,000,074			7 000 700
59 Prepayments (Account 165) - Transmission Only (Worksheet D, In 7.E) - DA 1.00000 - 60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 12,406,594 DA 1.00000 9,407,969 62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.00000 (20,111,696)		, ,	,				
60 Prepayments (Account 165) - Unallocable (Worksheet D, In 7.D) (107,808,734) NA 0.00000 - 61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 12,406,594 DA 1.00000 (20,111,696) 62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.00000 (20,111,696)			, ,	1,497,939			243,144
61 TOTAL WORKING CAPITAL (sum Ins 53 to 60) 9,407,969 62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.0000 (20,111,696)			, ,	- -			-
62 IPP CONTRIBUTIONS FOR CONSTRUCTION (Note H) (Worksheet E, In 8.(B)) (20,111,696) DA 1.00000 (20,111,696)			(Worksheet D, In 7.D)	(107,808,734)	NA	0.00000	
	61	TOTAL WORKING CAPITAL	(sum Ins 53 to 60)	12,406,594			9,407,969
63 RATE BASE (sum lns 43, 50, 51, 61, 62) 524,880,488	62	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note H) (Worksheet E, In 8.(B))	(20,111,696)	DA	1.00000	(20,111,696)
	63	RATE BASE (sum Ins 43, 50, 51, 61, 62)		3,118,379,351			524,880,488

(5)

(4)

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

(1) (2)

EXPENSE, TAXES, RETURN & REVENUE Data Sources Total REQUIREMENTS CALCULATION (See "General Notes") **TO Total Transmission Allocator** Line No. **OPERATION & MAINTENANCE EXPENSE** 64 Transmission 321.112.b 44,970,358 65 (Note I) 322.84-92.b Less: Total Account 561 11,280,135 (Note J) 322.96.b 66 Less: Account 565 20,707,467 Less: expenses 100% assigned to TO billed customers (Worksheet I, In 14) 67 68 Total O&M Allocable to Transmission (Ins 64 - 65 - 66 - 67) 12,982,756 ΤP 0.94001 12,203,941 69 Administrative and General 323.197.b (Note K) 70,056,050 70 Less: Acct. 924, Property Insurance 323.185.b 2,550,069 71 Acct. 928, Reg. Com. Exp. 322.189.b 3,205,062 72 322.191.b Acct. 930.1, Gen. Advert. Exp. 206,363 73 322.192.b Acct. 930.2, Misc. Gen. Exp. (2,195,376)74 (ln 69 - sum ln 70 to ln 73) 66,289,932 0.06288 Balance of A & G W/S 4,168,449 75 2,550,069 GP(TU) 0.16232 Plus: Acct. 924, Property Insurance 413,925 (ln 70) 76 ΤP Acct. 928 - Transmission Specific Worksheet J In 25.(E) (Note L) 510,464 0.94001 479,842 77 Acct 930.1 - Only safety related ads -Direct Worksheet J In 39.(E) (Note L) 19,934 GP(TU) 0.16232 3,236 78 Acct 930.2 - Misc Gen. Exp. - Trans Worksheet J In 49.(E) (Note L) 126,425 DA 1.00000 126,425 79 Less: PBOP Expense In Acct. 926 Adjustment Worksheet J In 10.C (Note M) 468,909 W/S 0.06288 29,486 80 A & G Subtotal (sum lns 74 to 78 less ln 79) 69,027,915 5,162,391 81 TOTAL O & M EXPENSE $(\ln 68 + \ln 80)$ 82,010,671 17,366,332 82 DEPRECIATION AND AMORTIZATION EXPENSE ΤP 23,678,741 83 Transmission 336.7.f 25,189,839 0.94001 336.10.f 84 8,018,403 W/S 0.06288 504,214 General 9,059,152 85 336.1.f W/S 0.06288 569,658 Intangible 24,752,613 86 TOTAL DEPRECIATION AND AMORTIZATION 42,267,394 (sum Ins 83 to 85) 87 TAXES OTHER THAN INCOME (Note N) 88 Labor Related 89 Worksheet L, Col. D 5,866,598 W/S 0.06288 Payroll 368,904 90 Plant Related 91 Worksheet L, Col. C 39,769,319 GP(TU) 0.16232 6,455,319 Property 92 Gross Receipts/Sales & Use Worksheet L, Col. F 5,048,397 0.00000 NA 93 Worksheet L, Col. E GP(TU) 0.16232 Other 21,326,802 3,461,747 94 TOTAL OTHER TAXES (sum Ins 89 to 93) 72,011,116 10,285,969 (Note O) 96 $T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$ 37.75% 97 EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =39.96% 98 where WCLTD=(In 134) and WACC = (In 137) 99 and FIT, SIT & p are as given in Note O. 100 GRCF=1 / (1 - T) = (from In 96)1.6064 Amortized Investment Tax Credit (enter negative) (FF1 p.114, ln 19.c) 101 (549,547)102 (ln 97 * ln 105) 18,296,102 Income Tax Calculation 108,699,388 ITC adjustment NP(TU) 103 (ln 100 * ln 101) (882,807)0.17171 (151,591)(sum Ins 102 to 103) 107,816,582 18,144,511 TOTAL INCOME TAXES 104 272,003,480 105 RETURN ON RATE BASE (Rate Base*WACC) (ln 63 * ln 137) 45,783,179 DA 1.00000 106 INTEREST ON IPP CONTRIBUTION FOR CONST. (Note E) (Worksheet E, In 2) 657,290 657,290 576,766,533 116,989,895 107 REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (sum lns 81, 86, 94, 104, 105, 106) 108 DA 109 TEXAS GROSS MARGIN TAX (Note P) (Worksheet K) 1,358,348 275,524 117,265,418 110 REVENUE REQUIREMENT INCLUDING GROSS MARGIN TAX 578,124,880

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

SUPPORTING CALCULATIONS

ln								
No.	TRANSMISSION PLANT INCLUDED IN SPP TARIFF							
111	Total transmission plant	(In 18)						1,051,659,680
112	Less transmission plant excluded from SPP Tariff (Work	(sheet A, In 23a Col. (E)) (Note Q)						38,778,145
113	Less transmission plant included in OATT Ancillary Servi	ces (Worksheet A, In 23, Col. (E)) (Note R)						24,309,226
114	Transmission plant included in SPP Tariff	(ln 111 - ln 112 - ln 113)						988,572,309
115	Percent of transmission plant in SPP Tariff	(In 114 / In 111)					TP=	0.94001
				Payroll Billed from				
116	WAGES & SALARY ALLOCATOR (W/S)	(Note S)	Direct Payroll	AEP Service Corp.	Total			
117	Production	354.20.b	32,535,900	11,747,964	44,283,864	NA	0.00000	-
118	Transmission	354.21.b	2,701,085	3,504,350	6,205,435	TP	0.94001	5,833,181
119	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-
120	Distribution	354.23.b	25,828,696	2,487,976	28,316,672	NA	0.00000	-
121	Other (Excludes A&G)	0	8,228,953	5,728,879	13,957,832	NA	0.00000	-
122	Total	(sum lns 117 to 121)	69,294,634	23,469,169	92,763,803			5,833,181
123	Transmission related amount						W/S=	0.06288
124	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
125	Long Term Interest	Long Term Interest (Worksheet N, In. 19,	col. (E))					111,378,570
126	Preferred Dividends	Preferred Stock Dividends (Worksheet N,	` , ,					, , -
127	Development of Common Stock:	,	, (),					Average
128	Proprietary Capital	(Worksheet N, In. 1, col. (E))						1,917,288,612
129	Less Preferred Stock (In 135)	(Worksheet N, In. 2, col. (E))						, , , , , , , , , , , , , , , , , , ,
130	Less Account 216.1	(Worksheet N, In. 3, col. (E))						17,939,246
131	Less Account 219	(Worksheet N, In. 4, col. (E))						(22,339,798)
132	Common Stock	(ln 128 - ln 129 - ln 130 - ln 131)						1,921,689,164
		,		Capital Structure I	Percentages		Cost	, ,
133		2012 Avg Balances		Actual	Cap Limit		(Note S)	Weighted
134	Avg Long Term Debt (Worksheet N, In. 10, col. (E))	1,822,700,000	-	48.68%	0.00%		6.11%	0.0297
135	Avg Preferred Stock (Worksheet N, In. 46, col. (E))	-		0.00%	0.00%		0.00%	0.0000
136	Avg Common Stock (In 132) (Note U)	1,921,689,164		51.32%	0.00%		11.20%	0.0575
137	Total (sum lns 134 to 136)	3,744,389,164					WACC=	0.0872
138	Capital Structure Equity Limit (Note U)	52.5%						

AEP West SPP Member Companies Transmission Cost of Service Formula Rate Utilizing Actual Cost Data for 2012 with Average Ratebase Balances

SOUTHWESTERN ELECTRIC POWER COMPANY

Notes

<u>Letter</u>

General Notes: a) References to data from FERC Form 1 are indicated as: page#.line#.col.#
b) If transmission owner ("TO") functionalizes its costs to transmission on its books, those costs are shown above and on any supporting workpapers rather than using the allocations above.

- The revenue credits shall include a) amounts received directly from the SPP for PTP transmission services, b) direct assignment charges for transmission facilities, the cost of which has been included in the TCOS, and c) amounts from customers taking service under grandfathered agreements, where the demand is not included in the rate divisor. Revenues associated with FERC annual charges, gross receipts taxes, ancillarly services or facilities excluded from the TCOS are not included as revenue credits. Revenue from Transmission Customers whose coincident peak loads are included in the DIVISOR of the load-ratio share calculation are not included as revenue credits. See Worksheet A for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for facilities and any upgrades.
- This additional revenue requirement is determined using a net plant carrying charge (fixed carrying charge or FCR) approach. Worksheet G shows the calculation of the trued-up revenue requirement for each project, based on an FCR rate caclulated from inputs on this TCOS. Line 15 shows the incremental ARR for projects receiving incentives as accepted by FERC. These individual additional revenue requirements are summed for the true-up year, and included here.
- D The gross plant, accumulated depreciation, and deferred tax balances included in rate base are reduced by the removal of balances related to Asset Retirement Obligations (AROs). This is to comply with the requirements of FERC Rulemaking RM02-7-000.
- The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense as discussed in Note N. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. Transmission allocations are shown on Worksheet C.
- F Identified as being transmission related or functionally booked to transmission.

M

- G Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission on line 68.
- Consistent with Paragraph 657 of Order 2003-A, the amount on line is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 106.
- Removes the expense booked to transmission accounts included in the development of OATT ancillary services rates, including all of Account No. 561.
- J Removes cost of transmission service provided by others to the extent such service is not incurred to provide the SPP service at issue.
- K General Plant and Administrative & General expenses may be functionalized based on allocators other then the W/S allocator. Full documentation must be provided.
- Expense reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet D allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
 - This line complies with FERC requirement that Other Post Employment Benefits remain constant from an initial test year. Changes in this base amount can only occur via approval of a 205 filing.
- N Includes only FICA, unemployment, property and other assessments charged in the current year. Gross Receipts tax, Sales & Use taxes, and taxes related to income are excluded.
- The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =
 "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a
 work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that
 elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce
 rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)
 (In 96) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.

p =

Inputs Required: FIT = 35.00%

SIT= 4.23% (State Income Tax Rate or Composite SIT. Worksheet K)

- P Effective January 1, 2007, Texas instituted a gross margin tax. This tax is calculated on the Texas allocated revenue of the Company, reduced by 30% to derive a "Gross Margin" for the Company. The tax rate of one percent is assessed on the resulting amount. The jurisdictional allocator is based on transmission demand allocators.
- Q Removes plant excluded from the OATT because it does not meet the SPP's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note Q.
- S Includes functional wages & salaries incurred by parent company service corporation for support of the operating company.
- Long Term Debt cost rate = long-term interest (ln 125) / long term debt (ln 134). Preferred Stock cost rate = preferred dividends (ln 126) / preferred outstanding (ln 135). Common Stock cost rate (ROE) = 11.2%, the rate accepted by FERC in Docket No. ER07-XXX. It includes an additional 50 basis points for remaining a member of the SPP RTO.
- Per Settlement, equity is limited to 52.5% of PSO's Capital Structure. If the percentage of equity exceeds the cap, the excess is included in long term debt in the cap structure. This value cannot change prior to 2/1/11. After this date it can only be changed via an approved 205 or 206 filing.

0.00% (percent of federal income tax deductible for state purposes)

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Worksheet A - Detail Plant Balances SOUTHWESTERN ELECTRIC POWER COMPANY

Lino	(A)	(B)	(C) Balances @	(D) Balances	(E) Average Balance for
<u>Line</u> <u>Number</u>	Rate Base Item & Supporting Balance	Source of Data	12/31/2012	12/31/2011	2012
NOTE: Funct	cional ARO investment and accumulated depreciation	balances shown below are included in the total fun	ctional balances shown	here.	
Plant Investm	ent Blalances				
1	Production Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 46	3,928,084,334	2,312,167,355	3,120,125,845
2	Production Asset Retirement Obligation (ARO)	FF1, page 205 & 204, Col.(g)&(b), Ins 15,24,34,44	23,048,172	22,508,276	22,778,224
3	Transmission Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	1,115,290,032	988,029,328	1,051,659,680
4	Transmission Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	-	-	-
5	Distribution Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 75	1,758,142,067	1,674,918,482	1,716,530,275
6	Distribution Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 74	-	-	-
7	General Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	315,641,257	308,449,476	312,045,367
8	General Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	682,710	682,710	682,710
9	Intangible Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5	51,808,056	59,272,045	55,540,051
10	Total Property Investment Balance	(Sum of Lines: 1, 3, 5, 7, 9)	7,168,965,746	5,342,836,686	6,255,901,216
11	Total ARO Balance (included in total on line 10)	(Sum of Lines: 2, 4, 6, 8)	23,730,882	23,190,986	23,460,934
<u>Accumulated</u>	Depreciation & Amortization Balances				
12	Production Accumulated Depreciation	FF1, page 219, Ins 20-24, Col. (b)	1,250,235,176	1,228,216,129	1,239,225,653
13	Production ARO Accumulated Depreciation	Company Records	2,963,538	2,378,217	2,670,877
14	Transmission Accumulated Depreciation	FF1, page 219, In 25, Col. (b)	390,501,480	370,861,968	380,681,724
15	Transmission ARO Accumulated Depreciation	Company Records	-	-	-
16	Distribution Accumulated Depreciation	FF1, page 219, In 26, Col. (b)	658,460,789	637,961,404	648,211,097
17	Distribution ARO Accumulated Depreciation	Company Records	-	-	-
18	General Accumulated Depreciation	FF1, page 219, In 28, Col. (b)	167,587,756	153,582,765	160,585,261
19	General ARO Accumulated Depreciation	Company Records	317,769	286,526	302,147
20	Intangible Accumulated Amortization	FF1, page 200, In 21, Col. (b)	38,898,982	47,433,439	43,166,211
21	Total Accumulated Depreciation or Amortization	(Sum of Lines: 12, 14, 16, 18, 20)	2,505,684,183	2,438,055,705	2,471,869,944
22	Total ARO Balance (included in total on line 21)	(Sum of Lines: 13, 15, 17, 19)	3,281,307	2,664,743	2,973,025
Generation S	tep-Up Units				
23	GSU Investment Amount	Company Records	27,356,295	21,262,158	24,309,226
24 25	GSU Accumulated Depreciation GSU Net Balance	Company Records (Line 23 - Line 24)	14,615,436 12,740,859	14,253,436 7,008,722	14,434,436 9,874,790
<u>Transmission</u>	Plant Excluded from SPP Tariff (see TCOS Note Q)				
23a	Excluded Facilities Investment Amount	Company Records	40,965,614	36,590,676	38,778,145
24a 25a	Excluded Facilities Accumulated Depreciation Excluded Facilities Net Balance	Company Records (Line 23a - Line 24a)	14,285,734 26,679,880	13,020,417 23,570,259	13,653,075 25,125,070
Transmission	Accumulated Depreciation Net of GSU/Excluded Fac	cilities Accumulated Depreciation			
26	Transmission Accumulated Depreciation	(Line 14 Above)	390,501,480	370,861,968	380,681,724
27	Less: GSU & Excl Facilities Acc Dep	(Line 24 + Line 24a Above)	28,901,170	27,273,853	28,087,511
28	Subtotal of Transmission Accumulated	(Line 26 - Line 27)	361,600,310	343,588,115	352,594,213
Plant Held Fo	or Future Use				
29	Plant Held For Future Use	FF1, page 214, In 47, Col. (d)	1,350,884	1,350,884	1,350,884
30	Transmission Plant Held For Future	Company Records	504,994	504,994	504,994

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Projected on 2012 FF1 Balances Worksheet B - Projected Transmission Plant in Service Additions SOUTHWESTERN ELECTRIC POWER COMPANY

I. Calculation of Composite Depreciation Rate

1	Transmission Plant @ Beginning of Historic Period (2012) (P.206, In 58,(b)):	988,029,328
2	Transmission Plant @ End of Historic Period (2012) (P.207, In 58,(g)):	1,115,290,032
3		2,103,319,360
4	Average Balance of Transmission Investment	1,051,659,680
5	Annual Depreciation Expense, Historic TCOS, In 246	25,189,839
6	Composite Depreciation Rate	2.40%
7	Round to 2% to Reflect a Composite Life of 50 Years	2 00%

II. Calculation of Property Placed in Service by Month and the Related Depreciation Expense

8	Month in Service	Сар	italized Balance	Composite Annual Depreciation Rate	De	Annual epreciation	Мо	nthly Depreciation	No. Months Depreciation	First Year Depreciation Expense
9	January	\$	20,247,584	2.00%	\$	404,952	\$	33,746	11	\$ 371,206
10	February	\$	4,894,740	2.00%	\$	97,895	\$	8,158	10	\$ 81,580
11	March	\$	1,551,978	2.00%	\$	31,040	\$	2,587	9	\$ 23,283
12	April	\$	1,354,882	2.00%	\$	27,098	\$	2,258	8	\$ 18,064
13	May	\$	2,593,173	2.00%	\$	51,863	\$	4,322	7	\$ 30,254
14	June	\$	44,470,507	2.00%	\$	889,410	\$	74,118	6	\$ 444,708
15	July	\$	1,475,915	2.00%	\$	29,518	\$	2,460	5	\$ 12,300
16	August	\$	1,651,911	2.00%	\$	33,038	\$	2,753	4	\$ 11,012
17	September	\$	1,778,823	2.00%	\$	35,576	\$	2,965	3	\$ 8,895
18	October	\$	3,528,308	2.00%	\$	70,566	\$	5,881	2	\$ 11,762
19	November	\$	2,356,432	2.00%	\$	47,129	\$	3,927	1	\$ 3,927
20	December	\$	4,865,132	2.00%	\$	97,303	\$	8,109	0	\$ -
21	Investment	\$	90,769,386					Depr	eciation Expense	\$ 1,016,991
III. Plar	nt Transferred									

22	\$ -	<== This input area is for original cost plant
23	\$ -	<== This input area is for accumulated depreciation that may be associated with capital
		expenditures. It would have an impact if a company had assets transferred from a subsidiary.
24 (Ln 7 * Ln 22)	\$ -	<== This input area is for additional Depreciation Expense

AEP West SPP Member Companies 2013 Cost of Service Formula Rate

Worksheet C - ADIT Balances used in Projection & True-Up SOUTHWESTERN ELECTRIC POWER COMPANY

Line	(A)	(B)	(C)	(E)	(F) 100% Transmission	(G) PTD Plant	(H) Transmission & Distribution	(I) Labor	(J) Total Included in Ratebase
<u>No.</u>	Acc. No.	<u>Description</u>	YE Balance	Exclusions *	<u>Related</u>	Related	Plant Related	Related	(E)+(F)+(G)+(H)
1 2 3	282.1 282.1 282.1	Account 282 - Form-1 page 274-275, Ln 2 Col. (k) 282 Balance to Use in Projection 2012 Year End Tax Deferrals - Ws C-1 Transmission Allocator from Historic TCOS [GP or W/S] Allocated Total	(926,406,626)	786,842 <u>0.0000%</u> 0	<u>-</u> <u>100.0000%</u> 0	(927,193,469) 14.9750% (138,847,360)	- <u>38.8139%</u> 0	<u>-</u> <u>6.2797%</u> 0	(138,847,360)
4 5	282.1 282.1	282 Balance to Use in True-Up 2012 Year End Tax Deferrals - Ws C-1 2011 Year End Tax Deferrals - Ws C-2	(926,406,626) (536,560,912)	786,842 10,621,531	-	(927,193,469) (544,691,859)	- -	- (2,490,584)	
6 7 8 9		Subtotal Average Balance Transmission Allocator from True-Up TCOS [GP or W/S] Allocated Total	(1,462,967,538) (731,483,769)	11,408,373 5,704,186 <u>0.0000%</u> 0	- 0 <u>100.0000%</u> 0	(1,471,885,328) (735,942,664) <u>16.2319%</u> (119,457,529)	- 0 <u>37.9909%</u> 0	(2,490,584) (1,245,292) <u>6.2882%</u> (78,307)	(119,535,836)
10 11 12	283.1 283.1 283.1	Account 283 - Form-1 page 276-277, Ln 9, Col (k) 283 Balance to Use in Projection 2012 Year End Tax Deferrals - Ws C-1 Transmission Allocator from Historic TCOS [GP or W/S] Allocated Total	(41,074,933)	(9,441,923) 0.0000% 0	100.0000% 0	(3,972,018) <u>14.9750%</u> (594,810)	- <u>38.8139%</u> 0	(27,660,992) 6.2797% (1,737,029)	(2,331,839)
13 14	283.1 283.1	283 Balance to Use in True-Up 2012 Year End Tax Deferrals - Ws C-1 2011 Year End Tax Deferrals - Ws C-2	(41,074,933) (42,603,672)	(9,441,923) (6,255,903)		(3,972,018) (10,366,986)	- -	(27,660,992) (25,980,783)	
15 16 17 18		Subtotal Average Balance Transmission Allocator from True-Up TCOS [GP or W/S] Allocated Total	(83,678,605) (41,839,303)	(15,697,826) (7,848,913) <u>0.0000%</u> 0	- 0 <u>100.0000%</u> 0	(14,339,004) (7,169,502) <u>16.2319%</u> (1,163,747)	- 0 <u>37.9909%</u> 0	(53,641,775) (26,820,888) <u>6.2882%</u> (1,686,553)	(2,850,300)
		Account 190 - Form-1 page 234, Ln 8, Col. (c)							
19 20 21	190.1 190.1 190.1	190 Balance to Use in Projection 2012 Year End Tax Deferrals - Ws C-1 Transmission Allocator from Historic TCOS [GP or W/S] Allocated Total	197,640,428	60,880,786 <u>0.0000%</u> 0	100.0000% 0	128,413,855 <u>14.9750%</u> 19,229,994	38.8139% 0	8,345,787 <u>6.2797%</u> 524,091	19,754,085
22 23	190.1 190.1	190 Balance to Use in True-Up 2012 Year End Tax Deferrals - Ws C-1 2011 Year End Tax Deferrals - Ws C-2	197,640,428 71,386,128	60,880,786 60,977,171	- -	128,413,855 3,968,222	- -	8,345,787 6,440,734	
24 25 26 27		Subtotal Average Balance Transmission Allocator from True-Up TCOS [GP or W/S] Allocated Total	269,026,556 134,513,278	121,857,957 60,928,979 <u>0.0000%</u> 0	0 100.0000% 0	132,382,077 66,191,039 <u>16.2319%</u> 10,744,068	- 0 <u>37.9909%</u> 0	14,786,521 7,393,260 <u>6.2882%</u> 464,904	11,208,971
		Account 255 - Form-1 page 266-267			<u>!</u>	Pre 1971 ITC ncludeable in Rate			
28 29 30	255 255 255	255 Balance to Use in Projection Acc Defrd ITC - Federal - 12/31/2012 (FF1 p. 267, Ln 2.h) Transmission Allocator from Historic TCOS [GP or W/S] Allocated Total	- /////////////////////////////////////	<u>N/A</u>	<u>N/A</u>	Base - <u>14.9750%</u> 0	<u>N/A</u>	<u>N/A</u>	0
31 32	255 255	255 Balance to Use in True-Up Acc Defrd ITC - Federal - 12/31/2012 (FF1 p. 267, Ln 2.h) Acc Defrd ITC - Federal - 12/31/2011 (FF1 p. 266, Ln 2.b)	-			- -			
33 34 35 36		Subtotal Average Balance Transmission Allocator from True-Up TCOS [GP or W/S] Allocated Total	0	<u>N/A</u>	<u>N/A</u>	- 0 <u>16.2319%</u> 0	<u>N/A</u>	<u>N/A</u>	0

^{*} Exclusions: Non-utility, fuel supply, off-system sales and other items as specified related to costs not included in rates.

SOUTHWESTERN ELECTRIC POWER COMPANY DETAIL OF DEFERRED INCOME TAX BALANCES AS OF DECEMBER 31, 2012

Allocation Method

100% T&D Account Line # Description **Balance Exclusions Transmission PTD Plant** Labor 230A ACRS BENEFIT NORMALIZED (784,523,927) PTD 2821001 (784,523,927) 2301 CAPD INTEREST-SECTION 481(a)-CHANGE IN METHD (1,271,727) PTD 2821001 (1,271,727)PTD 230J RELOCATION CST-SECTION 481(a)-CHANGE IN METHD 81,564 2821001 81,564 2821001 230X R & D DEDUCTION - SEC 174 (15,448,869) PTD (15,448,869)234Q MACRS TAX DEPRECIATION - RAIL CARS (4,619,668) PTD 2821001 (4,619,668)2821001 260A SPARE PARTS INVENTORY 2,799,917 PTD 2,799,917 2821001 280H BK PLANT IN SERVICE - SFAS 143 - ARO (2,898,026) Е (2,898,026)(34,717,062) 2821001 295A GAIN/LOSS ON ACRS/MACRS PROPERTY PTD (34,717,062)GAIN/LOSS-ACRS/MACRS-BK/TX UNIT PROP 2821001 295C 1,764,559 PTD 1,764,559 320A 2821001 ABFUDC (66,874,303) PTD (66,874,303)380J 2821001 INT EXP CAPITALIZED FOR TAX 101,527,523 PTD 101,527,523 390A 2821001 **CIAC - BOOK RECEIPTS** 11,372,808 PTD 11,372,808 2821001 510H PROPERTY TAX-NEW METHOD-BOOK (392, 336)PTD (392, 336)(15,126,740) 2821001 532A PERCENT REPAIR ALLOWANCE (15,126,740) PTD 532C 2821001 BOOK/TAX UNIT OF PROPERTY ADJ (26,929,835) PTD (26,929,835)532D 2821001 BK/TX UNIT OF PROPERTY ADJ-SEC 481 ADJ (29,170,517) PTD (29,170,517)2821001 534A **CAPITALIZED RELOCATION COSTS** (7,375,285)PTD (7,375,285)560K LOSS-ABANDONMENT S TIE - BK 2821001 367,811 Е 367,811 651A **IMPAIRED ASSETS RES-FAS 121-BK** 2821001 10,388,158 PTD 10,388,158 662A PTD 2821001 WRITE-OFF RE SFAS 71 (11,180,579)(11,180,579) 2821001 662B SFAS 109 WRITE-OFF RE SFAS 71 (2,878,325) Е (2,878,325)2821001 680A JOINT VENTURES-SYS FUEL PRJ-TX (22,866)(22,866)710W 6,218,248 2821001 **BREM & HAUGH ACQUSITON ADJ-TX** 6,218,248 **CAPITALIZED SOFTWARE COSTS-TAX** 2821001 711N 7,712 PTD 7,712 2821001 7110 **BOOK LEASES CAPITALIZED FOR TAX** (2,571,312) PTD (2,571,312)2821001 711R CAPITALIZED LEASES - A/C 1011 ASSETS (74,846)PTD (74,846)2821001 712K CAPITALIZED SOFTWARE COST-BOOK (3,042,116) PTD (3,042,116)910J PTD 2821001 INTEREST EXPENSE - COAL CARS (14,179,508)(14,179,508)2821001 910K REMOVAL CST (35,669,240) PTD (35,669,240) 2821001 910W REMOVAL COSTS REV-SFAS 143-ARO PTD (10,564)(10,564)EXCESS ADFIT 282 2821001 960F-XS (1,957,278)(1,957,278)PTD 2821001 TOTAL ELECTRIC ACCOUNT SUBTOTAL (926,406,626) 786,842 (927, 193, 469) (absolute value Total Company Amount Ties to FF1 p.275(k) -- Acct 282 Electric) 926,406,626 2831001 014C-DSIT NOL-STATE C/F-DEF STATE TAX ASSET-L/T (8,785,000) PTD (8,785,000)2831001 510H PROPERTY TAX-NEW METHOD-BOOK 575E MTM BK GAIN-A/L-TAX DEFL (727,746)(727,746)2831001 MTM BK GAIN-A/L-TAX DEFL - MJE 2831001 575E-MJE (5,556)(5,556)2831001 576E MARK & SPREAD-DEFL-283-A/L (3,229)PTD (3,229)605B ACCRUED BK PENSION EXPENSE 2831001 (37,954,431) Labor (37,954,431) 2831001 605C **ACCRUED BK PENSION COSTS - SFAS 158** 43,015,732 43,015,732 2831001 613Z ACC SEVER CSTS-ARK DO. #98339U 2831001 630A DEFD EXPS (A/C 186) 799,907 799,907 **DEFD STORM DAMAGE** 2831001 630J (573,678) (573,678)630M RATE CASE DEFD CHGS 2831001 (1,989,776)(1,989,776)2831001 631B **DEFD VALENCE EXPENSES-NON-CURRENT** (1,479,666) (1,479,666)632U 2831001 BK DEFL-DEMAND SIDE MNGMT EXP (570,781) (570,781)2831001 638A BOOK > TAX BASIS - EMA-A/C 283 (301) 2831001 660F REG ASSET - SFAS 143 - ARO (418,971) (418,971)661R 2831001 REG ASSET - SFAS 158 - PENSIONS (43,015,732) (43,015,732)2831001 661S REG ASSET - SFAS 158 - SERP (101,591) (101,591)2831001 661T REG ASSET - SFAS 158 - OPEB (2,284,953)(2,284,953)2831001 664A REG ASSET-UND/REC ENVIRON ADJ CLAUSE-LA (2,650)(2,650)2831001 664R REG ASSET-VALLEY DISTRICT DUE DILIGENCE (346,836) (346,836)**REG ASSET-VEMCO EMPLOYEE RETIREMENT** 2831001 664S 0 2831001 664U **REG ASSET-VEMCO ACQUIS/INVESTMENTS** 2831001 664V REG ASSET-NET CCS FEED STUDY COSTS (803,170) (803,170) 2831001 664X REG ASSET-SWEPCO/VEMCO TRANSACTION COST 2831001 900A LOSS ON REACQUIRED DEBT (3,282,534)PTD (3,282,534)900F PTD 2831001 **BK DEFL-GAIN REACQUIRED DEBT** 26,504 26,504 2831001 906A ACCRD SFAS 106 PST RETIRE EXP 4,000,753 Labor 4,000,753 906D SFAS 106 PST RETIRE EXP - NON-DEDUCT CONT 4,446,063 2831001 Labor 4,446,063 2831001 906K ACCRD SFAS 112 PST EMPLOY BEN 1,846,623 Labor 1,846,623 920G PTD 2831001 TX AMORT-30% OF MINE DEV COSTS 2831001 921A **BK DEPLETION-MINERALS & RIGHTS** 384,728 PTD 384,728 930A **BOOK > TAX BASIS-PRTSHP INVEST** 2831001 (786,872) (786,872)2831001 940K 1988-1990 IRS AUDIT SETTLEMENT (2,705)(2,705)2831002 911Q-DSIT DSIT ENTRY - NORMALIZED 7,687,513 PTD 7,687,513 2831 TOTAL ELECTRIC ACCOUNT SUBTOTAL (9,441,923) (27,660,992) (41,074,933) (3,972,018) (absolute value Total Company Amount Ties to FF1 p.277(k) -- Acct 283 Electric) 41,074,933 TAX CREDIT C/F - DEF TAX ASSET- MJE 1901001 011C 2,022,293 2,022,293 1901001 433B INTEREST-FUEL OVER/UNDER RECOVERY (63,064) (63,064)433C 1901001 AR - FUEL OVER/UNDER RECOVERY (1,956,200)(1,956,200)1901001 433D LA - FUEL OVER/UNDER RECOVERY (1,329,409)(1,329,409)1901001 460A UNBILLED REVENUE 10,056,786 10,056,786 520A 1901001 PROVS POSS REV REFDS-A/L 1,791,824 PTD 1,791,824 1901001 562G DEFERRED BOOK GAIN/LOSS ON SALE-LT 48,970 48,970 576F 1901001 MARK & SPREAD-DEFL-190-A/L (302,244)PTD (302,244)602A 1901001 PROV WORKER'S COMP 186,962 Labor 186,962 605E SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN 282,798 1901001 282,798 Labor 605F ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 1901001 101,591 101,591 1901001 605I ACCRD BK SUP. SAVINGS PLAN EXP 89,212 89,212 Labor 1901001 605K ACCRUED BK BENEFIT COSTS 76,018 Labor 76,018 605O ACCRUED PSI PLAN EXP 1901001 292,257 Labor 292,257 610A BK PROV UNCOLL ACCTS 714,527 PTD 714,527 1901001 610V Е 1901001 PROV-FAS 157 - A/L (155) (155) 13,713,782 1901001 611E ACCRUED MINE RECLAMATION PTD 13,713,782 611G DEFD COMPENSATION-BOOK EXPENSE 593,275 1901001 593,275 Labor ACCRD COMPANYWIDE INCENTV PLAN 1901001 612Y 3,610,654 3,610,654 Labor 613C 1901001 ACCRD ENVIRONMENTAL LIAB-CURRENT 15,052 PTD 15,052 3,214,611 1901001 613E ACCRUED BOOK VACATION PAY 3,214,611 Labor 1901001 613K (ICDP)-INCENTIVE COMP DEFERRAL PLAN 68,169 68,169 1901001 613Y ACCRUED BK SEVERANCE BENEFITS 219,384 219,384 615B 1901001 ACCRUED INTEREST-LONG-TERM - FIN 48 (681,609)(681,609)1901001 615B-MJE ACCRD INTRST-TAX RES-L/T-FIN 48-MJE 961,045 961,045 1901001 615C ACCRUED INTEREST-SHORT-TERM - FIN 48 (407,410)(407,410)615C-MJE 1901001 ACCRD INTRST-TAX RES-S/T-FIN 48-MJE 417,974 417,974 6150 1901001 BK DFL RAIL TRANS REV/EXP 31,644 31,644 639A **DEFD BK GAIN-NON-AFF SALE-EMA** PTD 1901001 (69,006)(69,006)1901001 6411 ADVANCE RENTAL INC (CUR MO) 329,961 PTD 329,961 1901001 641X DEFERRED INCOME - DOLET HILLS MINING BUYOUT 262,845 PTD 262,845 652G **REG LIAB-UNREAL MTM GAIN-DEFL** 1901001 (149,459)(149,459)664G 1901001 REG LIAB-MIRROR AFUDC-LA 33,632,863 33,632,863 1901001 701A AMORT - GOODWILL PER BOOKS 1,023,750 1,023,750 1901001 **702A** GOODWILL PER TAX (572,517)(572,517)906F 1901001 ACCRD OPEB COSTS - SFAS 158 2,284,953 2,284,953 1901001 906P ACCRD BOOK ARO EXPENSE - SFAS 143 12,802,240 12,802,240 1901001 911F-FIN48 FIN 48 DSIT (276,145)(276,145)1901001 911Q-DSIT DSIT ENTRY - NORMALIZED (2,690,630)(2,690,630)ACCRUED SALES & USE TAX RESERVE (2,032,485)1901001 (2,032,485)ACCRUED SALES & USE TAX RESERVE - MJE 2,431,100 1901001 2,431,100 ACCRD SIT TX RESERVE-LNG-TERM-FIN 48 1901001 911V 872,027 872,027 ACCRD SIT TX RES-LNG-TERM-FIN 48-MJE 1,233,829 911V-MJE 1,233,829 E 1901001 911W ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48 24,390 E 24,390 1901001 940X IRS CAPITALIZATION ADJUSTMENT 1,125,163 PTD 1,125,163 1901001 960E AMT CREDIT - DEFERRED 116,230 E 116,230 NOL - DEFERRED TAX ASSET RECLASS 960Z 88,422,582 PTD 88,422,582 1901001 1901002 014C-DSIT NOL-STATE C/F-DEF STATE TAX ASSET-L/T 25,100,000 PTD 25,100,000 8,345,787 TOTAL ELECTRIC ACCOUNT SUBTOTAL 197,640,428 60,880,786 128,413,855 1901 0 (Total Company Amount Ties to FF1 p.234(c) -- Electric) 197,640,428

Worksheet C-2 - ADIT & ITC Details

SOUTHWESTERN ELECTRIC POWER COMPANY DETAIL OF DEFERRED INCOME TAX BALANCES AS OF DECEMBER 31, 2011

Account	Line #	Description	Balance	Allocation Basis	Exclusions	Allocation Method 100% Transmission PTD Plant	T&D	Labor
2821001	230A	ACRS BENEFIT NORMALIZED	(402,159,063)	PTD		(402,159,063)		
821001 821001	230I 230J	CAPD INTEREST-SECTION 481(a)-CHANGE IN METHD RELOCATION CST-SECTION 481(a)-CHANGE IN METHD	(1,271,727) 81,564	PTD PTD		(1,271,727) 81,564		
321001 321001	230X 234Q	R & D DEDUCTION - SEC 174 MACRS TAX DEPRECIATION - RAIL CARS	(15,594,301) (3,816,904)	PTD PTD		(15,594,301) (3,816,904)		
21001	260A	SPARE PARTS INVENTORY	2,799,917	PTD	(2,799,917		
21001 21001	280H 295A	BK PLANT IN SERVICE - SFAS 143 - ARO GAIN/LOSS ON ACRS/MACRS PROPERTY	(2,338,143) (35,363,509)	E PTD	(2,338,143)	(35,363,509)		
21001 21001	295C 320A	GAIN/LOSS-ACRS/MACRS-BK/TX UNIT PROP ABFUDC	1,323,559 (49,899,574)	PTD PTD		1,323,559 (49,899,574)		
21001	380J	INT EXP CAPITALIZED FOR TAX	74,768,965	PTD		74,768,965		
21001 21001	390A 510H	CIAC - BOOK RECEIPTS PROPERTY TAX-NEW METHOD-BOOK	10,566,205 (392,336)	E PTD	10,566,205	(392,336)		
21001 21001	532A 532C	PERCENT REPAIR ALLOWANCE BOOK/TAX UNIT OF PROPERTY ADJ	(15,126,740) (18,499,068)	PTD PTD		(15,126,740) (18,499,068)		
21001	532D	BK/TX UNIT OF PROPERTY ADJ-SEC 481 ADJ	(29,170,517)	PTD		(29,170,517)		
21001 21001	534A 560K	CAPITALIZED RELOCATION COSTS LOSS-ABANDONMENT S TIE - BK	(7,765,416) 367,811	PTD PTD		(7,765,416) 367,811		
21001 21001	651A 662A	IMPAIRED ASSETS RES-FAS 121-BK WRITE-OFF RE SFAS 71	10,388,158 (11,180,579)	E PTD	10,388,158	(11,180,579)		
21001	662B 680A	SFAS 109 WRITE-OFF RE SFAS 71 JOINT VENTURES-SYS FUEL PRJ-TX	(2,878,325)	PTD	(22.966)	(2,878,325)		
21001 21001	710W	BREM & HAUGH ACQUSITON ADJ-TX	(22,866) 6,218,248	E E	(22,866) 6,218,248			
21001 21001	711N 711O	CAPITALIZED SOFTWARE COSTS-TAX BOOK LEASES CAPITALIZED FOR TAX	8,080 287,287	Labor PTD		287,287		8,080
21001 21001	711R 712K	CAPITALIZED LEASES - A/C 1011 ASSETS CAPITALIZED SOFTWARE COST-BOOK	(74,846) (2,498,664)	PTD Labor		(74,846)		(2,498,664
21001	910J	INTEREST EXPENSE - COAL CARS	(14,179,508)	E	(14,179,508)			(2,490,00-
321001 321001	910K 910W	REMOVAL CST REMOVAL COSTS REV-SFAS 143-ARO	(30,683,879) (10,564)	PTD E	(10,564)	(30,683,879)		
321001 2821001	960F-XS	EXCESS ADFIT 282 TOTAL ELECTRIC ACCOUNT SUBTOTAL	(444,178) (536,560,912)	PTD	10,621,531	(444,178) 0 (544,691,859)	0	(2,490,584
	(absolute value	Total Company Amount Ties to FF1 p.275(k) Acct 282 Electric)	536,560,912		, ,			, , ,
331001	510H	PROPERTY TAX-NEW METHOD-BOOK	(1,180,461)	PTD		(1,180,461)		
331001	575E	MTM BK GAIN-A/L-TAX DEFL	718,129	E	718,129	(1,100,401)		
31001 31001	575E-MJE 576E	MTM BK GAIN-A/L-TAX DEFL - MJE MARK & SPREAD-DEFL-283-A/L	(5,556) (38,431)	E E	(5,556) (38,431)			
31001 31001	605B 605C	ACCRUED BK PENSION EXPENSE ACCRUED BK PENSION COSTS - SFAS 158	(37,088,198) 42,949,433	Labor E	42,949,433			(37,088,198
31001	613Z	ACC SEVER CSTS-ARK DO. #98339U	(1)	Labor	₁ ∠,∪ 1 ∪, 1 ∪∪	(6.155.15.1		(
31001 31001	630A 630J	DEFD EXPS (A/C 186) DEFD STORM DAMAGE	(2,426,151) (1,232,578)	PTD PTD		(2,426,151) (1,232,578)		
31001 31001	630M 632U	RATE CASE DEFD CHGS BK DEFL-DEMAND SIDE MNGMT EXP	(1,394,469) (467,029)	PTD PTD		(1,394,469) (467,029)		
31001 31001 31001	638A 640K	BOOK > TAX BASIS - EMA-A/C 283 DEFD TAX GAIN-EPA AUCTION	85,550	E	85,550	(101,020)		
31001	660A	TRANSITION REGULATORY ASSETS	0	E	0			
31001 31001	660F 660L	REG ASSET - SFAS 143 - ARO REG ASSET - DEFERRED LITIGATION COSTS	(304,296)	E PTD	(304,296)	0		
31001 31001	661R 661S	REG ASSET - SFAS 158 - PENSIONS REG ASSET - SFAS 158 - SERP	(42,948,035) (75,061)	E E	(42,948,035) (75,061)			
31001	661T	REG ASSET - SFAS 158 - OPEB	(75,061) (9,994,128)	E	(75,061) (9,994,128)			
31001 31001	664A 900A	REG ASSET-UND/REC ENVIRON ADJ CLAUSE-LA LOSS ON REACQUIRED DEBT	(7,008) (3,768,888)	PTD PTD		(7,008) (3,768,888)		
31001	900F	BK DEFL-GAIN REACQUIRED DEBT ACCRD SFAS 106 PST RETIRE EXP	109,597 4,519,605	PTD Labor		109,597		4,519,60
31001 31001	906A 906D	SFAS 106 PST RETIRE EXP - NON-DEDUCT CONT	4,400,377	Labor				4,400,37
31001 31001	906K 913Y	ACCRD SFAS 112 PST EMPLOY BEN BK DEFL - MERGER COSTS	2,187,434 0	Labor E	0			2,187,434
31001 31001	920G 921A	TX AMORT-30% OF MINE DEV COSTS BK DEPLETION-MINERALS & RIGHTS	(11,628) (104,338)	E E	(11,628)			
31001	930A	BOOK > TAX BASIS-PRTSHP INVEST	39	E	(104,338)			
31001 31001	940K 664R	1988-1990 IRS AUDIT SETTLEMENT REG ASSET-VALLEY DISTRICT DUE DILIGENCE	(2,705) (290,292)	E E	(2,705) (290,292)			
31001 31001	664U 664S	REG ASSET-VEMCO ACQUIS/INVESTMENTS REG ASSET-VEMCO EMPLOYEE RETIREMENT	50,046 135,167	E E	50,046 135,167			
31001	664W	REG ASSET-VEMCO ECONOMIC INVESTMENT	-	E	0			
331001 331001	664X 664V	REG ASSET-SWEPCO/VEMCO TRANSACTION COST REG ASSET-NET CCS FEED STUDY COSTS	205,533 (832,863)	E E	205,533 (832,863)			
331002			(/ /	_				
31002	DSIT	DSIT ENTRY - NORMALIZED	4,207,532	E	4,207,532			
2831	DSIT	DSIT ENTRY - NORMALIZED TOTAL ELECTRIC ACCOUNT SUBTOTAL	,		, ,	0 (10,366,986)	0	(25,980,783
2831			4,207,532		4,207,532	0 (10,366,986)	0	(25,980,783
2831		TOTAL ELECTRIC ACCOUNT SUBTOTAL	4,207,532 (42,603,672) 42,603,672	E	4,207,532 (6,255,903)	0 (10,366,986)	0	(25,980,783
2831 01001 01001	(absolute value 433A 433B	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456)	E E E	(6,255,903) (6,108) (1,093,456)	0 (10,366,986)	0	(25,980,783
2831 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY	(42,603,672) 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0)	E E E E	(6,255,903) (6,255,903) (6,108) (1,093,456) (4,448,037) (0)	0 (10,366,986)	0	(25,980,783
2831 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY	(42,603,672) 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037)	E E E E	(6,255,903) (6,255,903) (6,108) (1,093,456) (4,448,037)	0 (10,366,986) 2,514,789	0	(25,980,783
2831 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165	E E E E E PTD E	(6,255,903) (6,255,903) (6,108) (1,093,456) (4,448,037) (0)		0	
2831 01001 01001 01001 01001 01001 01001 01001	433A 433B 433C 433D 460A 520A 576F 602A 605E	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399	E E E E E PTD E Labor	(6,255,903) (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165		0	78,930
2831 01001 01001 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930	E E E E PTD E Labor	(6,255,903) (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064		0	78,930 401,399
2831 01001 01001 01001 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0	E E E E FTD E Labor Labor E Labor E	(6,255,903) (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165		0	78,930 401,399 110,759
2831 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574	E E E E E PTD E Labor Labor Labor E Labor Labor Labor	(6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165	2,514,789	0	78,93 401,39 110,75 76,01
2831 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018	E E E E E PTD E Labor Labor E Labor E Labor	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0		0	78,93 401,39 110,75 76,01
2831 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126)	E E E E E PTD E Labor Labor E Labor E Labor E Labor E Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0	2,514,789	0	78,93 401,39 110,75 76,01
2831 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559)	E E E E E FTD E Labor Labor E Labor	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0	2,514,789	0	78,930 401,399 110,759 76,010 290,574
2831 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628	E E E E E PTD E Labor Labor E Labor Labor E Labor Labor D Labor Labor PTD E E E PTD Labor PTD	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0	2,514,789	0	78,930 401,399 110,759 76,010 290,576
2831 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTY PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BOOK VACATION PAY	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623	E E E E E PTD E Labor Labor E Labor Labor F Labor Labor PTD E E F TD Labor PTD Labor PTD Labor	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0	2,514,789 346,271 (536,559)	0	78,930 401,399 110,759 76,018 290,574
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613Y	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BOOK VACATION PAY ACCRD BK SEI EMP BENEFIT COSTS ACCRUED BK SEVERANCE BENEFITS	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E Labor Labor Labor E Labor Labor PTD E E E PTD Labor PTD Labor PTD Labor PTD Labor PTD Labor	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508	2,514,789 346,271 (536,559)	0	78,93 401,39 110,75 76,01 290,57 2,381,62 3,101,43
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613Y 615A	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0 155,299 (155,299)	E E E E E E Labor Labor E Labor Labor PTD E E E E Labor Labor Labor PTD E E E E PTD Labor PTD Labor PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508	2,514,789 346,271 (536,559)	0	78,93 401,39 110,75 76,01 290,57 2,381,62 3,101,43
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605J 605J 605J 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613P 615A	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST-LONG-TERM - FIN 48	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0 - 155,299 (155,299) (740,709)	E E E E E E Labor Labor E Labor Labor PTD E E E E PTD Labor PTD Labor PTD Labor PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508	2,514,789 346,271 (536,559)	0	78,930 401,399 110,759 76,010 290,574 2,381,620 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613P 615A	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRUED BKOK VACATION PAY ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEVERANCE BENEFITS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRUED INTEREST-SHORT-TERM - FIN 48	4,207,532 (42,603,672) 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0 155,299 (155,299) (740,709) 961,045 (557,623)	E E E E E E Labor Labor Labor Labor PTD E E E PTD Labor PTD Labor PTD Labor E E E PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623)	2,514,789 346,271 (536,559)	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613P 615A 615B 615B-MJE 615C-MJE 615O	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRDED BN SEI EMP BENEFIT COSTS ACCRUED BN SEI EMP BENEFIT COSTS ACCRUED BN SEI EMP BENEFIT COSTS ACCRUED BN SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP	4,207,532 (42,603,672) 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0 1555,299 (155,299) (740,709) 961,045	E E E E E E PTD E Labor Labor E Labor Labor PTD E E E E PTD Labor PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0)	2,514,789 346,271 (536,559)	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613E 613V 615A 615B 615B-MJE 615C 615C-MJE 615O 633Y	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BOOK VACATION PAY ACCRD BK SEI EMP BENEFIT COSTS ACCRUED BN SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST-SHORT-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES	4,207,532 (42,603,672) 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0	E E E E E E Labor Labor Labor Labor PTD E Labor Labor PTD Labor PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0	2,514,789 346,271 (536,559)	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613P 615A 615B 615B-MJE 615C 615C-MJE 615O 633Y 639A 641I	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO)	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E Labor Labor E Labor Labor PTD E E E PTD Labor PTD Labor E E E PTD Labor E E E PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006)	2,514,789 346,271 (536,559)	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613E 613V 613F 615A 615B 615B-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BOK VACATION PAY ACCRD BK SEI EMP BENEFIT COSTS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-UNREAL MTM GAIN-DEFL	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 301,130 332,017 (1,634,651)	E E E E E E Labor Labor Labor Labor PTD Labor PTD Labor E E E PTD Labor E E PTD Labor E E PTD Labor E Labor E Labor E E PTD Labor E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651)	2,514,789 346,271 (536,559) 23,628	0	78,930 401,399 110,759 76,010 290,574 2,381,620 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613E 613V 613F 615A 615B 615B 615B 615B 615C 615C 615C 615C 615C 633Y 639A 641I 641X	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP - STATE ACCRUED INTEREST EXP - STATE - MJE ACCRUED INTEREST EXP - STATE - FIN 48 ACCRD INTEREST EXP - STATE - FIN 48 ACCRD INTEREST EXP - STATE - FIN 48 ACCRD INTEREST EXP - STATE - MJE ACCRUED INTEREST EXP - STATE - FIN 48 ACCRD INTEREST EXP - STATE - FIN 48 ACCRD INTEREST EXP - STATE - FIN 48 ACCRD INTEREST - LONG-TERM - FIN 48 ACCRD INTEREST - SHORT-TERM - FIN 48 ACCRD INTEREST - SHORT-TERM - FIN 48 ACCRD INTEREST - AND - STATE - FIN 48 ACCRD INTEREST - SHORT-TERM - FIN 48 ACCRD INTEREST - SH	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E PTD E Labor Labor E Labor Labor PTD E E E E E E E PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017	2,514,789 346,271 (536,559) 23,628	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613P 615A 615B 615B-MJE 615C 615C-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEVERANCE BENEFITS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRD INTRRST-TAX RES-L/T-FIN 48-MJE ACCRUED INTEREST-SHORT-TERM - FIN 48 ACCRD INTERST-TAX RES-S/T-FIN 48-MJE BLOTATION	4,207,532 (42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E Labor Labor E Labor Labor PTD E E E PTD Labor PTD Labor E E E PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128	2,514,789 346,271 (536,559) 23,628	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613P 615A 615B 615B-MJE 615C 615C-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE ACCRUED INTEREST-SHORT-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-UNREAL MTM GAIN-DEFL REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRD BOOK ARO EXPENSE - SFAS 143 FIN 48 DSIT	(42,603,672) 42,603,672 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E Labor Labor Labor Labor PTD E E E PTD Labor E E E PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950	2,514,789 346,271 (536,559) 23,628 301,130 952,125	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613E 613V 613E 613V 615A 615B 615B-MJE 615C 615C-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY UA - FUEL OVER/UNDER RECOVERY UA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-FRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE ACCRUED INTEREST-SHORT-TERM - FIN 48 ACCRD INTEREST-SHORT-TERM - FIN 48 ACCRD INTERT-TAX RES-S/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-UNREAL MTM GAIN-DEFL REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRD DOPE COSTS - SFAS 158 ACCRD BOOK ARO EXPENSE - SFAS 143 FIN 48 DSIT DSIT ENTRY - NORMALIZED	(42,603,672) 42,603,672 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E Labor Labor Labor PTD E E E PTD Labor PTD Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002)	2,514,789 346,271 (536,559) 23,628	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613Y 615A 615B 615B-MJE 615C 615C-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT 911R	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST-HONG-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINNING BUYOUT REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRD DOOK ARO EXPENSE - SFAS 143 FIN 48 DSIT DSIT ENTRY - NORMALIZED ACCRD SIT/FRANCHISE TAX RESERVE ACCRD SIT/FRANCHISE TAX RESERVE ACCRD SIT/FRANCHISE TAX RESERVE-MJE	(42,603,672) 42,603,672 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E Labor Labor E Labor Labor PTD Labor PTD Labor E Labor E E E PTD Labor E E E E E E E E E E E E E E E E E E E	(6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002) (114,800) 114,800	2,514,789 346,271 (536,559) 23,628 301,130 952,125	0	78,930 401,399 110,759 76,010 290,574 2,381,620 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613P 615A 615B 615B-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT 911R	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTY PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST -LONG-TERM - FIN 48 ACCRD INTRIST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRD DODK ARO EXPENSE - SFAS 143 FIN 48 DSIT DSIT ENTRY - NORMALIZED ACCRUED SIT/FRANCHISE TAX RESERVE ACCRUED SALES & USE TAX RESERVE	(42,603,672) 42,603,672 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E E Labor Labor E Labor PTD Labor PTD Labor E E E E E E E E E E E E E E E E E E E	(6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002) (114,800) 114,800 (1,512,525) 2,431,100	2,514,789 346,271 (536,559) 23,628 301,130 952,125	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613A 615B 615B-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT 911R 911S	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN MATCH ACCRUED BK SUP. SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEVERANCE BENEFITS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST HORT-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-UNREAL MTM GAIN-DEFL REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRD OPEB COSTS - SFAS 158 ACCRD BOOK ARO EXPENSE - SFAS 143 FIN 48 DSIT DSIT ENTRY - NORMALIZED ACCRD SIT/FRANCHISE TAX RESERVE ACCRD SIT/F	(42,603,672) 42,603,672 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E E Labor Labor E Labor PTD Labor PTD Labor E Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002) (114,800) 114,800 (1,512,525) 2,431,100 991,911	2,514,789 346,271 (536,559) 23,628 301,130 952,125	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613Y 615A 615B 615B-MJE 615C 615C-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT 911R 911S	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTY PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST-SHORT-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRU DOKA ARO EXPENSE - SFAS 143 FIN 48 DSIT DSIT ENTRY - NORMALIZED ACCRUED SIT/FRANCHISE TAX RESERVE ACCRUED SALES & USE TAX RESERVE - MJE ACCRUED SALES & USE TAX RESERVE - MJE ACCRUED SIT TX RESERVE-LNG-TERM-FIN 48 ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48	(42,603,672) 42,603,672 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E E E Labor Labor E Labor Labor PTD Labor E Labor E E E E E E E E E E E E E E E E E E E	(6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002) (114,800) 114,800 (1,512,525) 2,431,100	2,514,789 346,271 (536,559) 23,628 301,130 952,125 (1,472,636)	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613Y 615A 615B 615B-MJE 615C 615C-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT 911R 911S	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED INTEREST EXP -STATE BK DFL RAIL TRANS REVIEXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-UNREAL MTM GAIN-DEFL REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRD OPEB COSTS - SFAS 158 ACCRD BOOK ARO EXPENSE - SFAS 143 FIN 48 DSIT DSIT ENTRY - NORMALIZED ACCRUED SALES & USE TAX RESERVE ACCRUED SIT TX RESERVE-ING-TERM-FIN 48 ACCRD SIT TX RESERVE-ING-TERM-FIN 48 ACCRD SIT TX RESERVE-ING-TERM-FIN 48 ACCRD SIT TX	(42,603,672) 42,603,672 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E E Labor Labor E Labor PTD Labor PTD Labor E Labor E E E E E E E E E E E E E E E E E E E	4,207,532 (6,255,903) (6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002) (114,800) 114,800 (1,512,525) 2,431,100 991,911 1,233,829	2,514,789 346,271 (536,559) 23,628 301,130 952,125	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613A 615B 615B-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT 911R 911S 911V 911V-MJE 911N 911S	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEVERANCE BENEFITS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST EXP -STATE - HJB ACCRUED INTEREST EXP -STATE - HJB ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRD INTEREST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-UNREAL MTM GAIN-DEFL REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRU DOBS ONS AS SFAS 158 ACCRD OPEB COSTS - SFAS 158 ACCRD BOOK ARO EXPENSE - SFAS 143 FIN 48 DSIT DSIT ENTRY - NORMALIZED ACCRUED SALES & USE TAX RESERVE ACCRUED SALES & USE TAX RESERVE ACCRUED SALES & USE TAX RESERVE ACCRUED SIT/FRANCHISE TAX RESERVE - MJE ACCRUED SIT TX RES-LNG-TERM-FIN 48 ACCRD SIT TX RES-LNG-TERM-FIN 48 ACCRD SIT TX RESERVE-SHRT-TERM-FIN 48 ACCRD SIT TX RESERVE-SHRT-TERM-F	(42,603,672) 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E E E Labor Labor E Labor PTD Labor E Labor E E PTD Labor E E E E E E E E E E E E E	(6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002) (114,800) (1,512,525) 2,431,100 991,911 1,233,829 (381,400) 1,795,732 76,430	2,514,789 346,271 (536,559) 23,628 301,130 952,125 (1,472,636)	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831 01001	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613Y 615A 615B 615B-MJE 615C 615C-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT 911R 911S 911V 911V-MJE 911W 940X 011C 613K 701A 702A	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY LA - FUEL OVER/UNDER RECOVERY UNBILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRUED BK SUP. SAVINGS PLAN MATCH ACCRUED BK SUP. SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD EOMPANYWIDE INCENTY PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED BK SEI EMP BENEFIT COSTS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE - MJE ACCRUED INTEREST -LONG-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE ACCRUED INTEREST-SHORT-TERM - FIN 48 ACCRD INTRST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-UNREAL MTM GAIN-DEFL REG LIAB-UNREAL MTM GAIN	(42,603,672) 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E E E Labor Labor E Labor PTD Labor PTD Labor E E E E E E E E E E E E E	(6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002) (114,800) 114,800 (1,512,525) 2,431,100 991,911 1,233,829 (381,400) 1,795,732	2,514,789 346,271 (536,559) 23,628 301,130 952,125 (1,472,636)	0	78,930 401,399 110,759 76,018 290,574 2,381,623 3,101,432
2831	(absolute value 433A 433B 433C 433D 460A 520A 576F 602A 605E 605F 605I 605J 605K 605O 610A 610U 610V 611E 611Y 612Y 613C 613E 613V 613Y 615A 615B 615B-MJE 615C 615C-MJE 615C 615C-MJE 615O 633Y 639A 641I 641X 652G 664G 700Z 906F 906P 911F-FIN48 911Q-DSIT 911R 911S 911V 911V 910X 011C 613K 701A	TOTAL ELECTRIC ACCOUNT SUBTOTAL Total Company Amount Ties to FF1 p.277(k) Acct 283 Electric) PUCT FUEL O/U RECOVERY-RETAIL INTEREST-FUEL OVER/UNDER RECOVERY AR - FUEL OVER/UNDER RECOVERY UN FUEL OVER/UNDER RECOVERY UN BILLED REVENUE PROVS POSS REV REFDS-A/L MARK & SPREAD-DEFL-190-A/L PROV WORKER'S COMP SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ACCRD SUP EXEC RETIR PLAN COSTS-SFAS 158 ACCRD BK SUP. SAVINGS PLAN EXP EMPLOYER SAVINGS PLAN MATCH ACCRUED BK BENEFIT COSTS ACCRUED PSI PLAN EXP BK PROV UNCOLL ACCTS PROV-TRADING CREDIT RISK - A/L PROV-FAS 157 - A/L ACCRUED MINE RECLAMATION PROVISION FOR LITIGATION ACCRD COMPANYWIDE INCENTV PLAN ACCRD ENVIRONMENTAL LIAB-CURRENT ACCRUED BK SEVERANCE BENEFITS ACCRUED BK SEVERANCE BENEFITS ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST EXP -STATE ACCRUED INTEREST-LONG-TERM - FIN 48 ACCRD INTEREST-SHORT-TERM - FIN 48 ACCRD INTEREST-TAX RES-L/T-FIN 48-MJE BK DFL RAIL TRANS REV/EXP DEFD REVENUE-DSM LOST REVENUES DEFD BK GAIN-NON-AFF SALE-EMA ADVANCE RENTAL INC (CUR MO) DEFERRED INCOME - DOLET HILLS MINING BUYOUT REG LIAB-MIRROR AFUDC-LA TAX DEFL - DEBT ISSUE COSTS ACCRD OPEB COSTS - SFAS 158 ACCRD DOK ARO EXPENSE - SFAS 143 FIN 48 DSIT DSIT ENTRY - NORMALIZED ACCRUED SALES & USE TAX RESERVE ACCRD SIT/FRANCHISE TAX RESERVE ACCRD SIT/FRANCHISE TAX RESERVE-MJE ACCRUED SALES & USE TAX RESERVE-MJE ACCRD SIT TX RESERVE-SHERT-FIN 48-MJE ACCRD SIT TX RESERVE-SHERT-FIN	(42,603,672) 42,603,672 42,603,672 (6,108) (1,093,456) (4,448,037) (0) 8,796,064 2,514,789 548,165 78,930 401,399 75,061 110,759 0 76,018 290,574 346,271 770 (9,126) 12,267,508 (536,559) 2,381,623 23,628 3,101,432 0	E E E E E E E E E E E Labor Labor PTD Labor PTD Labor E E E E E E E E E E E E E	(6,108) (1,093,456) (4,448,037) (0) 8,796,064 548,165 75,061 0 770 (9,126) 12,267,508 0 155,299 (155,299) (740,709) 961,045 (557,623) 417,974 (0) 0 (69,006) 332,017 (1,634,651) 18,407,950 9,994,128 12,649,803 (254,002) (114,800) 114,800 (1,512,525) 2,431,100 991,911 1,233,829 (381,400) 1,795,732 76,430 568,750	2,514,789 346,271 (536,559) 23,628 301,130 952,125 (1,472,636)	0	78,93 401,39 110,75 76,01 290,57

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Worksheet D - Working Capital Rate Base Adjustments SOUTHWESTERN ELECTRIC POWER COMPANY

	SOUTHWESTERN ELECTRIC POWER COMPANY											
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)			
	Materials & Supplies											
<u>Line</u> <u>Number</u>			<u>Source</u>	Balance @ December 31, 2012	Balance @ December 31, 2011	Average Balance for Rate Year 2012						
1												
2	Transmission Ma	aterials & Supplies	FF1, p. 227, ln 8, Col. (c & b)	478,573	151,172	314,873						
3	General Materials	s & Supplies	FF1, p. 227, ln 11, Col. (c & b)	185,074	121,528	153,301						
4	Stores Expense ((Undistributed)	FF1, p. 227, ln 16, Col. (c & b)	0	0	0						

		Prepayment E	Balance Summary				
		Average of YE Balance	Excludable Balances	100% Transmission <u>Related</u>	Plant <u>Related</u>	Labor <u>Related</u>	Total Included in Rate Base (E)+(F)+(G)
5	Totals as of December 31, 2012	10,664,815	(110,340,325)	0	1,817,477	119,187,663	121,005,140
6	Totals as of December 31, 2011	9,966,336	(105,277,143)	0	1,178,400	114,065,080	115,243,480
7	Average Balance	10,315,576	(107,808,734)	0	1,497,939	116,626,371	118,124,310

Prepayments Account 165 - Balance @ 12/31/2012

	Acc. No.	<u>Description</u>	2012 <u>YE Balance</u>	Excludable <u>Balances</u>	100% Transmission <u>Related</u>	Plant <u>Related</u>	Labor <u>Related</u>	Total Included in Rate Base (E)+(F)+(G)	
8 9 10	1650001 1650004 1650005	Prepaid Insurance Prepaid Interest Prepaid Employee Benefits	1,206,994 0 0	0 0 0		596,581 0	610,413		Plant: Property Ins, Labor Related: Gen Liability Ins, D&O Ins, Workers Comp Ins. Prepaid Executive Life Insurance Prepaid Royalty Pmts to Coal Leaseholders, Stall Prepaid agreement fees & NERC
11	1650006	Other Prepayments	7,370,675	7,370,675				0	Assessment fees.
12 13 14	1650009 1650010 165001112	Prepaid Carry Cost-Factored AR Prepaid Pension Benefits Prepaid Sales Taxes	61,037 118,139,537 681,000	61,037		681,000	118,139,537		AR Factoring - Excluded because it is retail. Prefunded Pension Expense
15 16 17	165001212 1650014 1650016	Prepaid Use Taxes FAS 158 Qual Contra Asset FAS 112 ASSETS	0 (118,139,537) 0	(118,139,537)				0	Non-Cash Offset Excludable from Rate Base SFAS 158 Offset
18 19	1650021 1650023	Prepaid Insurance - EIS Prepaid Leases	977,609 67,500	67,500		539,896	437,713	977,609 0	Liability Ins.
20	1650029	Future Wetland Credits - Long Term	300,000	300,000				0	Dolet Hills Future Wetlands Credit
21		Subtotal - Form 1, p 111.57.c	10,664,815	(110,340,325)	0	1,817,477	119,187,663	121,005,140	

Prepayments Account 165 - Balance @ 12/31/2011

22	Acc. No.	<u>Description</u>	2011 <u>YE Balance</u>	Excludable <u>Balances</u>	100% Transmission <u>Related</u>	Plant <u>Related</u>	Labor <u>Related</u>	Total Included in Rate Base (E)+(F)+(G)	
23 24	1650001 1650004	Prepaid Insurance Prepaid Interest	1,054,123 0	0 0		543,574 0	510,549		Plant: Property Ins, Labor Related: Gen Liability Ins, D&O Ins, Workers Comp Ins.
25 26 27	1650006 1650009 1650010	Other Prepayments Prepaid Carry Cost-Factored AR Prepaid Pension Benefits	6,985,537 84,194 113,158,952	6,985,537 84,194 0			113,158,952	113,158,952	Prepaid Royalty Pmts to Coal Leaseholders, Stall Prepaid agreement fees & NERC Assessment fees. AR Factoring - Excluded because it is retail. Prefunded Pension Expense
28 29 30	1650014 1650016 1650021	FAS 158 Qual Contra Asset FAS 112 ASSETS Prepaid Insurance - EIS	(113,158,952) 0 1,030,405	(113,158,952)		634,826	395,579		Non-Cash Offset Excludable from Rate Base SFAS 158 Offset Plant: EIS Property Ins, Labor Related: EIS Gen Liability Ins.
31 32	165001209 1650023	Prepaid Taxes Prepaid Leases	668,600 143,478	668,600 143,478					
33		Subtotal - Form 1, p 111.57.d	9,966,336	(105,277,143)	0	1,178,400	114,065,080	115,243,480	•

AEP - SPP Formula Rate SWEPCO TCOS - WS E Page: 59 of 68

AEP West SPP Member Companies 2013 Cost of Service Formula Rate Worksheet E - IPP Credits SOUTHWESTERN ELECTRIC POWER COMPANY

<u>Line</u> <u>Number</u>	(A) <u>Description</u>	(B) <u>2012</u>
1	Net Funds from IPP Customers @ 12/31/2011 (2012 FORM 1, P269, (B))	19,431,329
2	Interest Accrual (company records)	657,290
3 4	Revenue Credits to Generators (company records)	703,444
5 6	Other Adjustments (company records) Accounting Adjustment	-
7	Net Funds from IPP Customers 12/31/2012 (2012 FORM 1, P269, (F))	20,792,063
8	Average Balance for 2012 ((In 1 + In 7)/2)	20,111,696

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

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

ROE w/o incentives (Projected	d TCOS, In 149)		11.20%	
Project ROE Incentive Adder (I	Project ROE Incentive Adder (Enter as whole number)			
ROE with additional 0 basis po	int incentive		11.20% <==Incentive R	ROE Cannot Exceed 12.45%
Determine R (cost of long term	n debt, cost of prefe	erred stock and percei	nt is from Projected TCOS, Ins 147 thro	ough 149)
	<u>%</u>	<u>Cost</u>	Weighted cost	
Long Term Debt	49.25%	0.0580	0.0286	
Preferred Stock	0.00%	0.0000	0.0000	
Common Stock	50.75%	0.1120	<u>0.0568</u>	
		D _	0.0954	

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

Rate Base (Projected TCOS, In 75)	628,927,014
R (from A. above)	0.0854
Return (Rate Base x R)	53,711,183

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

Return (from B. above)	53,711,183
Tax Rate (Projected TCOS, In 109)	37.75%
EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =	40.36%
Income Tax Calculation (Return x EIT)	21,678,540
ITC Adjustment (Projected TCOS, In 116)	(132,236)
Income Taxes	21,546,304

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

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

Net Revenue Requirement (Projected TCOS, In 123)	129,004,406
Return (Projected TCOS, In 118)	53,711,183
Income Taxes (Projected TCOS, In 117)	21,546,304
Gross Margin Taxes (Projected TCOS, In 122)	303,106
Net Revenue Requirement, Less Return and Taxes	53,443,813

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

Net Revenue Requirement, Less Return and Taxes	53,443,813
Return (from I.B. above)	53,711,183
Income Taxes (from I.C. above)	21,546,304
Net Revenue Requirement, with 0 Basis Point ROE increase	128,701,300
Gross Margin Tax with 0 Basis Point ROE Increase (II C. below)	303,106
Revenue Requirement w/ Gross Margin Taxes	129,004,406
Less: Depreciation (Projected TCOS, In 95)	23,762,863
Net Rev. Req, w/0 Basis Point ROE increase, less Depreciation	105,241,543

C. Determine Gross Margin Tax with hypothetical 0 basis point increase in ROE.

Net Revenue Requirement before Gross Margin Taxes, with 0	128,701,300
Basis Point ROE increase (II B. above)	
Apportionment Factor to Texas (Worksheet K, In 12)	33.56%
Apportioned Texas Revenues	43,198,274
Taxable Percentage of Revenue (70%)	70%
Taxable, Apportioned Margin	30,238,792
Texas Gross Margin Tax Rate	1%
Texas Gross Margin Tax Expense	302,388
Gross-up Required for Gross Margin Tax Expense	718
Total Additional Gross Margin Tax Revenue Requirement	303,106

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

Net Transmission Plant (Projected TCOS, Ins 46, 47, 48, 49, 51) Net Revenue Requirement, with 0 Basis Point ROE increase	751,794,679 128,701,300
FCR with 0 Basis Point increase in ROE	17.12%
Net Rev. Req, w / 0 Basis Point ROE increase, less Dep.	105,241,543
FCR with 0 Basis Point ROE increase, less Depreciation	14.00%
FCR less Depreciation (Projected TCOS, In 12)	<u>14.00%</u>
	0.00%

Incremental FCR with 0 Basis Point ROE increase, less Depreciation III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Period (P.206, In 58)	988,029,328 <==From Input on Workshee	t B
Transmission Plant @ End of Period (P.207, In 58)	1,115,290,032 <==From Input on Workshee	tΒ
	2,103,319,360	
Transmission Plant Average Balance for 2012	1,051,659,680	
Annual Depreciation Expense (Historic TCOS, In 246)	25,189,839	
Composite Depreciation Rate	2.40%	
Depreciable Life for Composite Depreciation Rate	41.75	
Round to nearest whole year	42	

AEP - SPP Formula Rate SWEPCO TCOS - WS F Page: 60 of 68

SUMMARY OF PROJEC REQUIREMENTS	TED ANNUAL	BASE PLAN AND NO	N-BASE PLAN REVE	ENUE
TE GOINE IN ENTO		Rev Require	W Incentives	Incentive Amounts
PROJECTED YEAR	2013	33,398,332	33,398,332	\$ -

Note: Review formulas in summary to ensure the proper year's revenue requirement is being accumulated for each project from the tables below.

NOTE: PART IV --- BPU Project Tables are contained in separate *.xls file

AEP West SPP Member Companies

2013 Cost of Service Formula Rate Projected on 2012 FF1 Balances

Worksheet G - Calculation of TRUED-UP Annual Revenue Requirement for BPU and Special-billed Projects Based on a Carrying Charge Derived from Trued-Up 2012 Data

SOUTHWESTERN ELECTRIC POWER COMPANY

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

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

ROE w/o incentives (True-Up TCOS, In 136)			11.20%		
Project ROE Incentive Add	Project ROE Incentive Adder (Enter as whole number)			basis points	
ROE with additional 0 basis point incentive			11.20%	<==Incentive ROE	Cannot Exceed 12.45%
Determine R (cost of long	term debt, cost of p	oreferred stock and per	cent is from True-Up T	COS, Ins 134 throug	h 136)
	<u>%</u>	<u>Cost</u>	Weighted cost		
Long Term Debt	48.68%	0.0611	0.0297		
Preferred Stock	0.00%	0.0000	0.0000		
Common Stock	51.32%	0.1120	<u>0.0575</u>		
		R =	0.0872		

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

Rate Base (True-Up TCOS, In 63)	524,880,488
R (from A. above)	0.0872
Return (Rate Base x R)	45,783,179

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

Return (from B. above)	45,783,179
Tax Rate (True-Up TCOS, In 96)	37.75%
EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =	39.96%
Income Tax Calculation (Return x EIT)	18,296,102
ITC Adjustment (True-Up TCOS, In 103)	(151,591)
Income Taxes	18.144.511

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

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

Net Revenue Requirement (True-Up TCOS, In 110)	117,265,418
Return (True-Up TCOS, In 105)	45,783,179
Income Taxes (True-Up TCOS, In 104)	18,144,511
Gross Margin Taxes (True-Up TCOS, In 109)	275,524
Net Revenue Requirement, Less Return and Taxes	53,062,205

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

Net Revenue Requirement, Less Return and Taxes	53,062,205
Return (from I.B. above)	45,783,179
Income Taxes (from I.C. above)	<u>18,144,511</u>
Net Revenue Requirement, with 0 Basis Point ROE increase	116,989,895
Gross Margin Tax with Basis Point ROE Increase (II C. below)	275,524
Revenue Requirement w/ Gross Margin Taxes	117,265,418
Less: Depreciation (True-Up TCOS, In 83)	23,678,741
Net Rev. Req, w/0 Basis Point ROE increase, less Depreciation	93,586,677

C. Determine Gross Margin Tax with hypothetical 0.112 basis point increase in ROE. Net Revenue Requirement before Gross Margin Taxes, with 0

Basis Point ROE increase (II B. above)

Apportionment Factor to Texas (Worksheet K, In 12)	33.56%
Apportioned Texas Revenues	39,267,369
Taxable Percentage of Revenue (70%)	70%
Taxable, Apportioned Margin	27,487,158
Texas Gross Margin Tax Rate	1%
Texas Gross Margin Tax Expense	274,872
Gross-up Required for Gross Margin Tax Expense	652
Total Additional Gross Margin Tax Revenue Requirement	275,524

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

Net Transmission Plant (True-Up TCOS, In 39)	635,978,096
Net Revenue Requirement, with 0 Basis Point ROE increase	117,265,418
FCR with 0 Basis Point increase in ROE	18.44%
Net Rev. Req, w / 0 Basis Point ROE increase, less Dep.	93,586,677
FCR with 0 Basis Point ROE increase, less Depreciation	14.72%
FCR less Depreciation (True-Up TCOS, In 12)	<u>14.72%</u>
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Period (P.206, In 58)	988,029,328	<==From Input on Worksheet B
Transmission Plant @ End of Period (P.207, In 58)	1,115,290,032	<==From Input on Worksheet B
	2,103,319,360	-
Transmission Plant Average Balance for 2012	1,051,659,680	
Annual Depreciation Expense (True-Up TCOS, In 83)	25,189,839	
Composite Depreciation Rate	2.40%	
Depreciable Life for Composite Depreciation Rate	41.75	
Round to nearest whole year	42	

AEP - SPP Formula Rate SWEPCO TCOS - WS G Page: 61 of 68

		Rev R	Require	W In	centives	Incentive Amount	ts
TRUE-UP YEAR	2012		·				
∑ Prior Year	Projected (WS-F)	\$	29,283,407	\$	29,283,407	\$	-
∑ Prior Yea	r True-Up (WS-G)	\$	24,538,788	\$	24,538,788	\$	-
True-up	Adjustment For 2012	<u>-</u>	(4,744,618)		(4,744,618)		-

Note: Review formulas in summary to ensure the proper year's revenue requirement is being accumulated for each project from the tables below.

NOTE: PART IV --- BPU Project Tables are contained in separate *.xls file

AEP West SPP Member Companies
Cost of Service Formula Rate Using 2012 FF1 Balances
Worksheet H - Revenue Credits for Historic Period
SOUTHWESTERN ELECTRIC POWER COMPANY

Revenue Credits for

event	ie Credits for	Total Company	Non- Transmission	Transmission
I.	Account 450, Forfeited Discounts	4,518,371	4,518,371	0
II.	Account 451, Miscellaneous Service Revenues	2,651,591	2,651,591	0
III.	Account 454, Rent from Electric Property 1 Account 4540001 - Rent from Elect Property-Aff	1,849,397	1,849,397	0
	 2 Account 4540002 - Rent from Elect Property - Non-Aff 3 Account 4540005 - Rent from Elect Property - Pole Attach 4 Account 4540004 - Rent from Elect Property - ABD - Non-Aff 	3,202,328 4,976,653 85,536	3,202,328 4,976,653 85,536	0 0 0
	5 Total Rents from Electirc Property	10,113,914	,	0
	(Revenue related to transmission facilities for pole attachments, rentals, etc. Provide data sources and explain	anations in Sectio	on VIII, Notes below)	
IV.	Account 4560015, Revenues from Associated Business Development 1 Account 4560015, Revenues from Associated Business Development	483,110		118,729
V.	Total Other Operating Revenues To Reduce Revenue Requirement	133,113		118,729
VI.	Account 456.1, Revenues from Transmission of Electricity of Others (Provide data sources and any detailed explanations necessary in Section VIII Notes below)			57,085,077
	Less: 1 Transmission Direct Assignment Revenue (if costs not in the ARR) 2 Sponsored Upgrade Revenue			0
	3 Credits against Transmission Service Revenue related to Generation Interconnections 4 Revenue for GFA's (Relative to SPP OATT) Associated with Load Included in the Divisor			1,759,082 108,067
	5 Network Service Revenue (SPP Schedule 9) Associated with Load included in the Divisor 6 Revenue Associated with Transmission Plant Excluded From SPP Tariff			28,764,089
	7 Distribution and Other Non-Transmission Revenue 8 Revenue from SPP Ancillary Services Provided 9 Base Plan Revenue (from SPP)			355,126 4,289,202 12,381,790
	10 Flow Through of ERCOT Ancillary Charges 11 Other			0
	Net Transm	ission Credi	its	\$9,427,721
VII.	Total Worksheet A Revenue Credits			\$9,546,450
X7XX	Data Sauraga			

VIII. Data Sources:

Data for this worksheet came from the FERC Form 1 and the Company's General Ledger.

AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances Worksheet I - Supporting Transmission Expense Adjustments SOUTHWESTERN ELECTRIC POWER COMPANY

1	Other Expenses		
2	Direct Assignment Charge		\$0
3	Sponsored Upgrades Charge		\$0
4	Firm and Non-Firm Point-To-Point Charges		\$0
5	Base Plan Charges		\$0
6	Schedule 9 Charges		\$0
7	SPP Schedule 12 - FERC Assessment		\$0
8	SPP Schedule 1-A		\$0
9	SPP Annual Assessment		\$0
10	Ancillary Services Expenses		\$0
11	Other		\$0
12	Other		\$0
13	Other	<u>-</u>	\$0
14	Total	(sum of lines 2 through 13)	\$0

Adjustment to charges that are booked to transmission accounts that are the responsibility of the TO's LSE.

NOTE: Exclusion of Accounts 561 and 565 from O&M Expense in the TCOS templates eliminates the need to use this worksheet.

AEP West SPP Member Companies

Cost of Service Formula Rate Using 2012 FF1 Balances

Worksheet J - Allocation of Specific O&M or A&G Expenses SOUTHWESTERN ELECTRIC POWER COMPANY

	(A)	(B)	(C)	(D)	(E) 100%	(F)
<u>Line</u> Number	FERC Acct No.	<u>Description</u>	<u>2012</u> Expense	100% Non-Transmission	Transmission Specific	Explanation
<u>Itamboi</u>	7100t 110.		EXPONO	Non Tranomicolori	<u>ороснію</u>	<u>Explanation</u>
1 2 3 4	9260021 9260057	Account 926 2007 Base Year OPEB Expense (Note 1) Postretirement Benefits - OPEB Postret Ben Medicare Subsidy OPEB Billed From Service Corporation Net 2007 Base Year Expense	7,852,189 (2,175,142) 496,027 6,173,074			
5 6 7 8 9	9260021 9260057	2012 Current Year Expense Postretirement Benefits - OPEB Postret Ben Medicare Subsidy OPEB Billed From Service Corporation Net 2012 Expense	4,637,716 1,290,806 713,461 6,641,983			
10		Net Increase (Decrease) in OPEB Expense	468,909	This Amount Is Alloca	ted on Wages & S	Salaries
	Note 1: A	bsent a 205 Filing with FERC, the base amounts (Lns 1-4) will not change i	n subsequent years.		
		Account 928				
11 12		Regulatory Commission Exp Reg Commission Expense - OCC Annual Fees	20,984 96,212	20,285 59,064	699 37,148	FERC Annual Assessment
13		Reg Commission Exp - Labor Accruals	(2,027)	(1,651)	(376)	Labor accruals - for various depts
14		Reg Commission Exp - Case	662	514		Arkansas Rate Case filing
15 16		Reg Commission Exp - Case Reg Commission Exp - Case	46,385 15,736	41,927 15,736	4,458	Misc Filing 2009 TX EECRF Filing
17	9280002	Reg Commission Exp - Case	990	0	990	FERC Docket ER07-1369-000
18 19		Reg Commission Exp - Case Reg Commission Exp - Case	(8,199) 72,344	(8,199) 69,403	2.941	2009 TX Filing - Fuel Rec 2009 TX Rate Filing
20		Reg Commission Exp - Case	1,373,089	864,308	•	SWEPCO TX Rate Case filing - 2012
21	9280002	Reg Commission Exp - Case	107,964	107,964		Rate Case Support - Flint Greek FGD
22		Reg Commission Exp - Case	21,648	21,648		Rate Case Support - SWEPCO Turk CWIP Case 2011
23	9280002	Reg Commission Exp - Case	(209,837)	(165,514)	(44,323)	Rate Case Support - SWEPCO TX CWIP Case 2010
24	9280003	Rate Case Amort	1,669,113	1,669,113		Rate Case Amortization
25		Total (FF1, pg. 323)	3,205,062	2,694,598	510,464	
		Account 930.1				
26 27 28	9301000 9301001 9301002	General Advertising Expenses Newspaper Advertising Space Radio Station Advertising Time	56,686 46,385 8,800	49,095 40,323 7,844	7,591 6,062 956	
29 30	9301003 9301006	TV Station Advertising Time Spec Corporate Comm Info Proj	2,950	2,482	468	
31	9301008	Direct Mail and Handouts	0	0	0	
32 33	9301009 9301010	Fairs, Shows, and Exhibits Publicity	465 2,989	391 2,587	74 402	
34 35	9301011 9301012	Dedications, Tours, & Openings Public Opinion Surveys	4 7,472	4 7,159	0 313	
36	9301013	Movies Slide Films & Speeches	0	0	0	
37 38	9301014 9301015	Video Communications Other Corporate Comm Exp	43 80,568	37 76,506	6 4,062	
39		Total (FF1, pg. 323)	206,363	186,430	19,934	
40	0000000	Account 930.2	(0.000.400)	(0.000.044)	00.054	
40 41	9302003	Misc General Expenses Corporate & Fiscal Expenses	(2,608,190) 104,856	(2,638,244) 96,658	30,054 8,199	
42		Research, Develop&Demonstr Exp	10,623	10,623	0	
43 44		Assoc Bus Development - Materials Sold-Trans Assoc Bus Development - Materials Sold-Non Trans	80,350	0 80,350	0	
45 46	9302007	Assoc Business Development Exp - Transmission Assoc Business Development Exp - Non-Transmission	88,172 128,175	0 128,175	88,172	
47	9302458	AEPSC Non Affliated expenses	521	521	0	
48	9270000	Franchise Requirements	116	116	0	
49		Total (FF1, pg. 323)	(2,195,376)	(2,321,802)	126,425	

AEP West SPP Member Companies

Cost of Service Formula Rate Using 2012 FF1 Balances

Worksheet K - Development of Composite State Income Tax Rate

SOUTHWESTERN ELECTRIC POWER COMPANY

DEVELOPMENT OF COMPOSITE STATE INCOME TAX RATES FOR 2012

State Income Tax Rate - Louisiana Apportionment Factor Effective Louisiana State Income Tax R	ate	8.00% 37.20%	2.9760%
State Income Tax Rate - Arkansas Apportionment Factor Effective Arkansas State Income Tax R	ate	6.50% 19.09%	1.2406%
State Income Tax Rate - Oklahoma Apportionment Factor Effective State Income Tax Rate	Note 1	5.66% 0.25%	0.0142%
State Income Tax Rate - Ohio Apportionment Factor Tax Phase-out Factor Effective State Income Tax Rate	Note 2	8.5000% 0.00% 20.00%	0.0000%
State Income Tax Rate - Nebraska Apportionment Factor Effective Nebraska State Income Tax R	Rate	5.58% 0.0003%	0.0000%
Total Effective State Income Tax Rate		_ _	4.2308%

- Note 1 --- The Oklahoma State Income Tax Rate of 6% is reduced to 5.66% due to the deductibility of Oklahoma State Income Taxes on the Oklahoma State Income Tax Return.
- Note 2 --- The Ohio State Income Tax is being phased-out over a 5 year period and is being replaced with a Commercial Activities Tax. The taxable portion of income is 40% in 2007.

II. **CALCULATION OF TEXAS GROSS MARGIN TAX**

	<u>Projected</u>		<u>Historic</u>		<u>Actual</u>	
Line # REVENUE REQUIREMENT BEFORE TEXAS GROSS MARGIN TAX (In 118 of Template)	Total Company 666,251,663	Trans. Only 128,701,300	Total Company 659,542,627	Trans. Only 119,633,552	Total Company 576,766,533	Trans. Only 116,989,895
1 Apportionment Factor to Texas (In12)	33.56%	33.56%	33.56%	33.56%	33.56%	33.56%
2 Apportioned Texas Revenues	\$223,625,725	\$43,198,274	\$221,373,854	\$40,154,706	\$193,590,262	\$39,267,369
3 Taxable Percentage of Revenue (70%)	70%	70%	70%	70%	70%	70%
4 Taxable, Apportioned Margin	156,538,008	30,238,792	154,961,698	28,108,294	135,513,183	27,487,158
5 Texas Gross Margin Tax Rate (1%)	1%	1%	1%	1%	1%	1%
6 Texas Gross Margin Tax Expense	1,565,380	302,388	1,549,617	281,083	1,355,132	274,872
7 Gross-up Required for Texas Gross Margin Expense ((In 6 * In 3 * In 1)/(1- In 5) * In 5)	3,715	718	3,678	667	3,216	652
8 Total Additional Gross Margin Tax Revenue Requirement	1,569,095	303,106	1,553,295	281,750	1,358,348	275,524

9 WHOLESALE LOAD ALLOCATOR (For Use in Gross Margin Tax Allocator)

1,257,000 KW 10 Texas Jurisdictional Load

3,745,000 KW 11 Total Load

33.56% 12 Allocation Percentage (ln 10 / ln 11)

(F)

AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances Worksheet L - Taxes Other than Income SOUTHWESTERN ELECTRIC POWER COMPANY

HISTORIC PERIOD EXPENSE (2012) - TO BE USED ON TRUE-UP TEMPLATE

(A) (B) (C) (D) (E)

Line No.	Account	Total Company	Property	Labor	Other	Non-Allocable
1	Revenue Taxes					
2	TX Gross Receipts/OH CAT Tax	4,945,585				4,945,585
3	Real Estate and Personal Property Taxes					
4	Oklahoma Ad Valorum	378,720	378,720			
5	Arkansas Ad Valorum	7,308,184	7,308,184			
6	Louisiana Ad Valorum	15,997,455	15,997,455			
7	Texas Ad Valorum	16,084,960	16,084,960			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)	5,615,939		5,615,939		
10	Federal Unemployment Tax	42,655		42,655		
11	State Unemployment Insurance	208,004		208,004		
12	Production Taxes					
13						-
14						-
15	Miscellaneous Taxes					
16	Federal Excise Tax	2,744				2,744
17	LA State Franchise	3,036,595			3,036,595	
18	DE State Franchise	99,535			99,535	
19	AR State Franchise	114,727			114,727	
20	Ok State Franchise Tax	40,200			40,200	
21	Ok State License	10			10	
22	AR State License	-			-	
23	NE State License	17,060			17,060	
24	DE State License	126			126	
25	LA State License	30			30	
26	AR Local Franchise	-			-	
27	TX Local Franchise	9,269,642			9,269,642	
28	TX State Franchise	-				-
29	LA Local Franchise	7,466,329			7,466,329	
30	AR Sales & Use Tax	(9)			(9)	
31	LA Sales & Use Tax	(273)				(273)
32	NE Sales & Use Tax	-				-
33	Ok Sales & Use Tax	(13)				(13)
34	TX Sales & Use Tax	100,354			000 400	100,354
35	TX PUC	806,436			806,436	
36	LA Insp & Cntrl Fees	314,142			314,142	
37	TX Misc Tax	(564,001)			(564,001)	
38	LA Misc Tax	81,800			81,800	
39 40	AR PUC	644,025			644,025	
40	VA Misc Tax	155			155	
41	Total Taxes by Allocable Basis	72,011,116	39,769,319	5,866,598	21,326,802	5,048,397
	(Total Company Amount Ties to FFI p.114, Ln 14,(c))	72,011,116				

AEP - SPP Formula Rate SWEPCO TCOS - WS M

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AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances

Worksheet M - Cost of Debt Based on Outstanding Balances as of 12/31/2012 SOUTHWESTERN ELECTRIC POWER COMPANY

(A)	(B)	(C)	(D)	(E)
<u>Issuance</u> Long Term Debt (FF1.p. 256-257.h)	Principle Amount FF1.p. 257.x (h)	Interest Rate	Annual Expense	<u>Notes</u>
1 Affiliated Notes Payable 2 None 3			- -	
4 Pollution Control Bonds				
5 PCRB - Parish of DeSoto, LA - Series 2010 6 PCRB - Sabine River - Series 2006 - 4.95% 7	53,500,000 81,700,000	3.25% 4.95%	1,738,750 4,044,150 -	
8 Senior Unsecured Notes				
 9 Senior Unsecured Notes - Series C 10 Senior Unsecured Notes - Series D 11 Senior Unsecured Notes - Series E 	100,000,000 150,000,000 250,000,000	5.375% 4.90% 5.55%	7,350,000	p257 L11(h) p257 L14(h) p257 L20(h)
12 Senior Unsecured Notes - Series F 13 Senior Unsecured Notes - Series G	300,000,000 400,000,000	5.875% 6.45%	17,625,000	p257 L25(h) p257 L28(h)
14 Senior Unsecured Notes - Series H15 Senior Unsecured Notes - Series I	350,000,000 275,000,000	6.20% 3.55%	21,700,000 9,762,500	p257.1 L3(h) p257.1 L5(h)
Issuance Discount, Premium, & Expenses:				
16 Financial Hedges & Auction Fees	FF1.p256 & 257.i Lines Described as H	3,303,277	p257.1,Ln8 p257,Ln23	
17 Amort of Debt Discount and Expenses18 Less: Amor of Debt Premiums	FF1.p. 117.63.c (or WS-N Ln 15) FF1.p. 117.65.c (or WS-N Ln 17)		1,951,581 -	p237,21123
Reacquired Debt: 19 Amortization of Loss 20 Less: Amortization of Gain	FF1.p. 117.64.c (or WS-N Ln 16) FF1.p. 117.66.c (or WS-N Ln 18)		1,389,580 237,408	
21 Total Interest on Long Term Debt	1,960,200,000	5.80%	113,677,430]
Preferred Stock (FF1.p. 250-251)	Preferred Balance Outstanding			
22 Dividends on Preferred Stock	-	0.00%	-]

AEP West SPP Member Companies Cost of Service Formula Rate Using 2012 FF1 Balances SOUTHWESTERN ELECTRIC POWER COMPANY

Calculation of Capital Structure and Weighted Average Cost of Capital Based on Average of Balances At 12/31/2011 and 12/31/2012

(A)	(B)	(C)	(D)	(E)	
<u>Line</u>		Balances @ 12/31/2012	Balances @ 12/31/2011	Average	
<u>Develo</u>	pment of Average Balance of Common Equity				
	1 Total Proprietary Capital (p. 112.16.c&d)	2,021,211,699	1,813,365,524	1,917,288,612	
	2 Less Preferred Stock from Ln 46 below	0	0	-	
	3 Less Account 216.1 (p. 112.12.c&d) 4 Less Account 219.1 (p. 112.15.c&d)	19,193,896 (17,862,454)	16,684,595 (26,817,142)	17,939,246 (22,339,798)	
	5 Average Balance of Common Equity	2,019,880,257	1,823,498,071	1,921,689,164	
Dovalo	www.mt.af.Co.at.af.Lower.Town.Do.ht.Do.and.on.A		Dolomoo		
<u>Develo</u>	pment of Cost of Long Term Debt Based on A	<u>verage Outstanding I</u>	<u>Baiance</u>		
	6 Bonds (221) (p. 112.18.c&d)	-	-	-	
	7 Less: Reacquired Bonds (222) (p. 112.19.c&d)	-	-	-	
	8 Advances from Assoc. Companies (223) (p112.20.c&d)	1 060 200 000	1 695 200 000	1 922 700 000	
	9 Senior Unsecured Notes (224) (p. 112.21.c&d)0 Total Average Debt	1,960,200,000 1,960,200,000	1,685,200,000 1,685,200,000	1,822,700,000 1,822,700,000	
-	0 10ta. / ((0)tage 2001	1,000,200,000	1,000,200,000	.,022,: 00,000	
	1 Annual Interest Expense for 20122 Coupon Interest on Long Term Debt (256-257.33.i)				
	109,705,899				
1 1	3,303,277 1,872,195				
1	1,951,581				
1	1,389,580				
1	· · · · -				
1	237,408 111,378,570				
19 Total Interest Expense (Ln 12 - Ln 13 + Ln 14 + Ln 15 + Ln 16 - Ln 17 - Ln 18)					
2	20 Average Cost of Debt for 2013 (Ln 19/Ln 10)			6.11%	
2	21 Financial Hedge Amortization Reported in Column (i) on F	Page 256-257			
	22 SUN Series I 3.55% Financial Hedge (p257.1/Ln8)	90 _00 _00		2,028,266	
2	3 SUN Series 5.55% Financial Hedge (p257/Ln23)			1,275,011	
	24				
	25				
	26 Total Hedge Amortization 27 Total Average Capital Balance for 2012 (Actual TCOS, Li	- 407\		3,303,277	
2		3,744,389,164 0.0005			
	1,872,195				
	29 Limit of Recoverable (Gain)/Expense Amount 30 Recoverable Hedge Amortization		Г	1,872,195	
	(lesser of 5 basis point Cap or Actual (Gain)/Expense bas	sed on magnitude as indicat	ed on Ln 26 or Ln		

Development of Cost of Preferred Stock

Preferred Stock 31 0% Series Dividend Rate (p. 250-251. 10.a) 32 0% Series Par Value (p. 250-251. 10.c) 33 0% Series Shares O/S (p.250-251. 10.e) 34 0% Series Monetary Value (Ln 32 * Ln 33)	_		<u>Average</u> -
5 0% Series Dividend Amount (Ln 31 * Ln 34)	-	-	-
36 0% Series Dividend Rate (p. 250-251. 9.a) 37 0% Series Par Value (p. 250-251. 9.c) 38 0% Series Shares O/S (p.250-251. 9.e)			
39 0% Series Monetary Value (Ln 37 * Ln 38) 40 0% Series Dividend Amount (Ln 36 * Ln 39)	-	-	-
41 0% Series Dividend Rate (p. 250-251. 8.a) 42 0% Series Par Value (p. 250-251. 8.c) 43 0% Series Shares O/S (p.250-251. 8.e)			
44 0% Series Monetary Value (Ln 42 * Ln 43) 45 0% Series Dividend Amount (Ln 41 * Ln 44)	: :	- -	-
46 Balance of Preferred Stock (Lns 34, 39, 44)	-	-	
47 Dividens on Preferred Stock (Lns 35, 40, 45) 48 Average Cost of Preferred Stock (Ln 47/46)	0.00%	0.00%	0.00%