

**American Electric Power**

**Transmission Formula Rate  
Annual Customer Meeting**

**Public Service Company of Oklahoma  
Southwestern Electric Power Company**

**June 2017**

**AMERICAN  
ELECTRIC  
POWER**

BOUNDLESS ENERGY™

# 2017 Annual Update Internet Posting



- <http://www.aep.com/about/codeofconduct/OASIS/TariffFilings/>  
AEP-SPP Docket No. ER07-1069-000,  
OATT Formula Rate

## Annual Update 2017

- [Notice of Annual Filing](#) (PDF)
- AEP-SPP Transmission Formula Rate Annual Update for Rates eff 7/01/2017 (XLS)
- [Supplemental Worksheets F & G \(Part IV\) -- PSO BPU Project Tables](#) (XLS)
- [Supplemental Worksheets F & G \(Part IV\) -- SWE BPU Project Tables](#) (XLS)
- [CY 2016 NITS True-Up](#) (XLS)
- [Annual Formula Rate Update Meeting Notice](#) (Word)

# 2017 Annual Update



- **Projected Rates**
  - Projection based on 2016 year-end rate base balances plus projected 2017 plant balances, plus 2016 O&M and Depreciation expenses.
  - To be billed for the period July 1, 2017 through June 30, 2018 and trued up in 2018
  
- **True-up of 2016 Calendar Year**
  - Rates effective July 1, 2015 (billed January – June 2016) were \$1,566.72/MW Month
  - Rates effective July 1, 2016 (billed July – December 2016) were \$1,623.70/MW Month
  - True-up to 2016 Cost Data with Average Rate Base Balances (B/E Yr 2016) -- \$1,652.23/MW Month
  - True-Up of \$5.6M to be charged to all AEP Zone network customers

# Summary of Projected Rates (PSO/SWEPCO)



<b>Charge</b>	<b>July 1, 2016 2015 FERC Form 1 (projected plant 2016)</b>	<b>July 1, 2017 2016 FERC Form 1 (projected plant 2017)</b>	<b>% Change</b>
<b>NITS &amp; PTP Rate \$/MW Month (Sch. 7, 8 &amp; 9)</b>	<b>\$1,623.70</b>	<b>\$1,651.41</b>	<b>2%</b>
<b>Base Plan (Sch. 11)</b>	<b>\$70,531,855</b>	<b>\$90,656,981</b>	<b>29%</b>
<b>Load Dispatch and Scheduling Service (Sch. 1)</b>	<b>\$0.0825/MWh</b>	<b>\$0.0776/MWh</b>	<b>(6%)</b>
<b>AEP West Zone SPP Average 12-Mo. Coincident Peak Demand</b>	<b>8,211 MW</b>	<b>8,167 MW</b>	<b>(1%)</b>

# Primary Drivers - NITS Rate (PSO / SWEPCO)



- **Increased Net Plant in Service resulted in higher Depreciation, Income Taxes, and Taxes other than Income Taxes**
- **1% Decrease (44 MW) in AEP Zone Coincident Peak Demands (denominator in the rate)**

# Base Plan Upgrades (Schedule 11)



- **PSO**
  - 21 BP Projects. \$53 million invested by end of 2017
  - Added 3 new projects in 2016 with \$1 million investment
  
- **SWEPCO**
  - 63 BP projects. \$666 million invested by end of 2017
  - Added 8 new projects in 2016 with \$43.3 million investment

# Summary Comparison

## 2016 Projected – 2016 True-Up



	<u>PSO</u>	<u>SWEPCO</u>	<u>TOTAL</u>
<b><u>REVENUE REQUIREMENT</u></b>			
<i><u>REVENUE REQUIREMENT (w/o incentives)</u></i>			
2016 Projected	91,596,170	155,087,151	246,683,321
2016 True-Up	91,918,180	155,847,092	247,765,271
Inc/(Dec)	322,010	759,941	1,081,950
Percentage Inc/(Dec)	0.35%	0.49%	0.44%
<i><u>REVENUE CREDITS</u></i>			
2016 Projected	6,818,274	9,347,015	16,165,289
2016 True-Up	5,668,002	7,268,807	12,936,809
Inc/(Dec)	(1,150,273)	(2,078,208)	(3,228,480)
Percentage Inc/(Dec)	-16.87%	-22.23%	-19.97%
<i><u>REVENUE REQUIREMENT For All Company Facilities</u></i>			
2016 Projected	84,777,896	145,740,136	230,518,032
2016 True-Up	86,250,178	148,578,285	234,828,463
Inc/(Dec)	1,472,282	2,838,148	4,310,430
Percentage Inc/(Dec)	1.74%	1.95%	1.87%
<i><u>REVENUE REQUIREMENT For SPP Schedule 11 Facilities (w/o collection &amp; interest adj)</u></i>			
2016 Projected	6,774,890	63,756,965	70,531,855
2016 True-Up	6,843,152	66,059,700	72,902,852
Inc/(Dec)	68,262	2,302,735	2,370,997
Percentage Inc/(Dec)	1.01%	3.61%	3.36%
<i><u>EXISTING ZONAL ATRR FOR SPP OATT ATTACHMENT H, Sec. 1, Col. 3 (Schedule 9)</u></i>			
2016 Projected	78,003,006	81,983,172	159,986,178
2016 True-Up	79,407,026	82,518,585	161,925,611
Inc/(Dec)	1,404,020	535,413	1,939,433
Percentage Inc/(Dec)	1.80%	0.65%	1.21%

# Summary Comparison

## 2016 Projected – 2016 True-Up



	<u>PSO</u>	<u>SWEPCO</u>	<u>TOTAL</u>
<b><u>RATE BASE CALCULATION</u></b>			
<b><u>TOTAL GROSS PLANT</u></b>			
2016 Projected	811,597,999	1,444,039,554	2,255,637,553
2016 True-Up	788,947,539	1,436,511,513	2,225,459,052
Inc/(Dec)	(22,650,460)	(7,528,040)	(30,178,500)
Percentage Inc/(Dec)	-2.79%	-0.52%	-1.34%
<b><u>TOTAL NET PLANT IN SERVICE</u></b>			
2016 Projected	597,940,096	971,196,754	1,569,136,850
2016 True-Up	595,773,543	983,959,694	1,579,733,237
Inc/(Dec)	(2,166,552)	12,762,940	10,596,388
Percentage Inc/(Dec)	-0.36%	1.31%	0.68%
<b><u>TOTAL ADIT ADJUSTMENTS</u></b>			
2016 Projected	(168,360,594)	(202,161,943)	(370,522,537)
2016 True-Up	(170,786,141)	(216,110,008)	(386,896,149)
Inc/(Dec)	(2,425,548)	(13,948,065)	(16,373,612)
Percentage Inc/(Dec)	1.44%	6.90%	4.42%
<b><u>TOTAL WORKING CAPITAL</u></b>			
2016 Projected	13,665,039	11,928,814	25,593,853
2016 True-Up	12,348,834	11,040,770	23,389,604
Inc/(Dec)	(1,316,205)	(888,043)	(2,204,249)
Percentage Inc/(Dec)	-9.63%	-7.44%	-8.61%
<b><u>RATE BASE</u></b>			
2016 Projected	442,223,845	734,624,004	1,176,847,849
2016 True-Up	436,300,855	743,034,670	1,179,335,525
Inc/(Dec)	(5,922,990)	8,410,666	2,487,676
Percentage Inc/(Dec)	-1.34%	1.14%	0.21%



# Summary Comparison

## 2016 Projected – 2016 True-Up



	<u>PSO</u>	<u>SWEPCO</u>	<u>TOTAL</u>
<b><u>EXPENSE, TAXES, RETURN &amp; REVENUE REQUIREMENTS CALCULATION</u></b>			
<b><u>TOTAL O&amp;M EXPENSE</u></b>			
2016 Projected	21,632,441	25,160,083	46,792,524
2016 True-Up	20,415,108	26,265,765	46,680,873
Inc/(Dec)	(1,217,333)	1,105,682	(111,651)
Percentage Inc/(Dec)	-5.63%	4.39%	-0.24%
<b><u>TOTAL DEPRECIATION AND AMORTIZATION</u></b>			
2016 Projected	16,036,344	32,389,503	48,425,847
2016 True-Up	17,866,563	33,898,055	51,764,618
Inc/(Dec)	1,830,219	1,508,552	3,338,771
Percentage Inc/(Dec)	11.41%	4.66%	6.89%
<b><u>TOTAL OTHER TAXES</u></b>			
2016 Projected	5,896,392	10,492,874	16,389,267
2016 True-Up	5,587,676	11,013,526	16,601,203
Inc/(Dec)	(308,716)	520,652	211,936
Percentage Inc/(Dec)	-5.24%	4.96%	1.29%
<b><u>TOTAL INCOME TAXES</u></b>			
2016 Projected	13,813,583	24,395,738	38,209,321
2016 True-Up	13,996,627	24,574,666	38,571,293
Inc/(Dec)	183,044	178,927	361,972
Percentage Inc/(Dec)	1.33%	0.73%	0.95%
<b><u>RETURN ON RATE BASE (Rate Base*WACC)</u></b>			
2016 Projected	34,184,900	60,587,755	94,772,655
2016 True-Up	34,022,836	58,814,138	92,836,974
Inc/(Dec)	(162,065)	(1,773,616)	(1,935,681)
Percentage Inc/(Dec)	-0.47%	-2.93%	-2.04%
<b><u>TOTAL REVENUE REQUIREMENT (incl IPP Interest)</u></b>			
2016 Projected	91,596,170	155,087,151	246,683,321
2016 True-Up	91,918,180	155,847,092	247,765,271
Inc/(Dec)	322,010	759,941	1,081,950
Percentage Inc/(Dec)	0.35%	0.49%	0.44%

# Summary Comparison

## 2016 Projected – 2016 True-Up



	<u>PSO</u>	<u>SWEPCO</u>	<u>TOTAL</u>
<b><u>WEIGHTED AVERAGE COST OF CAPITAL (WACC)</u></b>			
<b><u>LONG TERM DEBT INTEREST</u></b>			
2016 Projected	61,279,457	118,777,528	180,056,985
2016 True-Up	61,279,549	119,509,503	180,789,052
Inc/(Dec)	92	731,975	732,067
Percentage Inc/(Dec)	0.00%	0.62%	0.41%
<b><u>COMMON EQUITY</u></b>			
2016 Projected	1,115,802,854	2,150,942,582	3,266,745,436
2016 True-Up	1,163,310,681	2,169,740,454	3,333,051,135
Inc/(Dec)	47,507,827	18,797,872	66,305,699
Percentage Inc/(Dec)	4.26%	0.87%	2.03%
<b><u>TOTAL WACC</u></b>			
2016 Projected	7.73%	8.25%	
2016 True-Up	7.80%	7.92%	
Inc/(Dec)	0.07%	-0.33%	

# Questions



?



**American Electric Power**

**Oklahoma Transmission Co.  
Southwestern Transmission Co.**

**AMERICAN  
ELECTRIC  
POWER™**

BOUNDLESS ENERGY™

# 2017 Annual Update Internet Posting



- <http://www.aep.com/about/codeofconduct/OASIS/TariffFilings/>  
AEP-SPP Docket No. ER10-355-000,  
OATT Formula Rate

## Annual Update 2017 - AEPTCo SPP

- [Notice of Annual Filing](#)
- [ATRR Summary SPP Formula Rate](#)
- [OKTCO Supplemental Worksheet F&G](#)
- [SWTCO Supplemental Worksheet F&G](#)
- [OKTCO 2016 NITS True-Up](#)
- [SWTCO 2016 NITS True-Up](#)
- [Exclusion of State Formation Costs \(per FERC Settlement\)](#)
- [Annual Formula Rate Update Meeting Notice](#)

# 2017 Annual Update (OKTCo / SWTCo)



- **Projected Rates**
  - Projection based on 2016 year-end balances plus projected 2017 plant balances
  - Rate Year begins July 1, 2017 through June 30, 2018
- **True-up (CY2016)**
  - Rates effective July 1, 2015 (billed January – June 2016) -- \$345.99 (OKTCo) & 1.44 (SWTCo)/MW Month
  - Rates effective July 1, 2016 (billed July – December 2016) -- \$509.49 (OKTCo) & 1.33 (SWTCo)/MW Month
  - True-up to 2016 Cost Data with Average Ratebase Balances (B/E Yr 2016) -- \$477.31/MW Month (OKTCo) & \$1.34 (SWTCo)
  - True-Up of \$4.4M to be charged to all AEP Zone network customers

# Summary of Projected Rates (OKTCo / SWTCo)



Charge	July 1, 2016 2015 FERC Form 1 (projected plant 2016)	July 1, 2017 2016 FERC Form 1 (projected plant 2017)
<b>NITS &amp; PTP Rate</b> <b>\$/MW Month</b> (Sch. 7, 8 & 9)	<b>OKTCo - \$509.49</b> <b>SWTCo - \$ 1.33</b>	<b>OKTCo - \$698.21</b> <b>SWTCo - \$ 1.27</b>
<b>Base Plan</b> (Sch. 11)	<b>OKTCo - \$13,475,209</b> <b>SWTCo - \$ 0</b>	<b>OKTCo - \$27,948,610</b> <b>SWTCo - \$ 0</b>
<b>AEP West Zone</b> <b>SPP Average 12-Mo.</b> <b>Coincident Peak Demand</b>	<b>8,211 MW</b>	<b>8,167 MW</b>

# Drivers Affecting NITS Rate



- **Increased capital investment in OKTCo results in higher O&M Expense and Depreciation Expense**



# Base Plan Upgrades (Schedule 11)



- **OKTCo**
  - Added 3 new Base Plan projects
  - \$102.3 million investment
  
- **SWTCo**
  - No Base Plan projects until final regulatory approval is obtained from all state commissions

# Summary Comparison - Transcos

## 2016 Projected – 2016 True-Up



### REVENUE REQUIREMENT

	<u>OKTCo</u>	<u>SWTCo</u>
<b><u>REVENUE REQUIREMENT (w/o incentives)</u></b>		
2016 Projected	65,470,116	136,455
2016 True-Up	66,232,655	138,248
Inc/(Dec)	762,539	1,793
Percentage Inc/(Dec)	1.16%	1.31%
<b><u>REVENUE CREDITS</u></b>		
2016 Projected	1,793,628	5,682
2016 True-Up	2,431,724	6,951
Inc/(Dec)	638,096	1,269
Percentage Inc/(Dec)	35.58%	22.33%
<b><u>REVENUE REQUIREMENT For All Company Facilities</u></b>		
2016 Projected	63,676,488	130,773
2016 True-Up	63,800,931	131,297
Inc/(Dec)	124,443	524
Percentage Inc/(Dec)	0.20%	0.40%
<b><u>REVENUE REQUIREMENT For SPP Schedule 11 Facilities (w/o collection &amp; interest adj)</u></b>		
2016 Projected	13,475,209	0
2016 True-Up	17,022,290	0
Inc/(Dec)	3,547,081	0
Percentage Inc/(Dec)	26.32%	0.00%
<b><u>EXISTING ZONAL ATRR FOR SPP OATT ATTACHMENT H, Sec. 1, Col. 3 (Schedule 9)</u></b>		
2016 Projected	50,201,279	130,773
2016 True-Up	46,778,641	131,297
Inc/(Dec)	(3,422,638)	524
Percentage Inc/(Dec)	-6.82%	0.40%

# Summary Comparison - Transcos

## 2016 Projected – 2016 True-Up



### RATE BASE CALCULATION

	<u>OKTCo</u>	<u>SWTCo</u>
<b><u>TOTAL GROSS PLANT</u></b>		
2016 Projected	555,772,695	0
2016 True-Up	548,105,957	0
Inc/(Dec)	(7,666,738)	0
Percentage Inc/(Dec)	-1.38%	0.00%
<b><u>TOTAL NET PLANT IN SERVICE</u></b>		
2016 Projected	528,672,562	0
2016 True-Up	524,417,251	0
Inc/(Dec)	(4,255,311)	0
Percentage Inc/(Dec)	-0.80%	0.00%
<b><u>TOTAL ADIT ADJUSTMENTS</u></b>		
2016 Projected	(95,600,964)	5,758
2016 True-Up	(117,163,397)	4,636
Inc/(Dec)	(21,562,433)	(1,122)
Percentage Inc/(Dec)	22.55%	-19.49%
<b><u>TOTAL WORKING CAPITAL</u></b>		
2016 Projected	388,691	0
2016 True-Up	510,783	787
Inc/(Dec)	122,091	787
Percentage Inc/(Dec)	31.41%	#DIV/0!
<b><u>RATE BASE</u></b>		
2016 Projected	433,460,289	5,758
2016 True-Up	407,764,636	5,423
Inc/(Dec)	(25,695,653)	(335)
Percentage Inc/(Dec)	-5.93%	-5.81%

# Summary Comparison - Transcos

## 2016 Projected – 2016 True-Up



	<u>OKTCo</u>	<u>SWTCo</u>
<b><u>EXPENSE, TAXES, RETURN &amp; REVENUE REQUIREMENTS CALCULATION</u></b>		
<b><u>TOTAL O&amp;M EXPENSE</u></b>		
2016 Projected	4,223,490	135,770
2016 True-Up	5,853,450	137,565
Inc/(Dec)	1,629,960	1,795
Percentage Inc/(Dec)	38.59%	1.32%
<b><u>TOTAL DEPRECIATION AND AMORTIZATION</u></b>		
2016 Projected	8,972,363	0
2016 True-Up	11,122,384	0
Inc/(Dec)	2,150,021	0
Percentage Inc/(Dec)	23.96%	
<b><u>TOTAL OTHER TAXES</u></b>		
2016 Projected	4,162,373	0
2016 True-Up	4,736,407	63
Inc/(Dec)	574,034	63
Percentage Inc/(Dec)	13.79%	
<b><u>TOTAL INCOME TAXES</u></b>		
2016 Projected	15,310,993	210
2016 True-Up	14,403,353	191
Inc/(Dec)	(907,640)	(20)
Percentage Inc/(Dec)	-5.93%	-9.41%
<b><u>RETURN ON RATE BASE (Rate Base*WACC)</u></b>		
2016 Projected	32,800,897	475
2016 True-Up	30,117,062	429
Inc/(Dec)	(2,683,835)	(46)
Percentage Inc/(Dec)	-8.18%	-9.60%
<b><u>TOTAL REVENUE REQUIREMENT (incl IPP Interest)</u></b>		
2016 Projected	65,470,116	136,455
2016 True-Up	66,232,655	138,248
Inc/(Dec)	762,540	1,793
Percentage Inc/(Dec)	1.16%	1.31%

# Summary Comparison - Transcos

## 2016 Projected – 2016 True-Up



	<u>OKTCo</u>	<u>SWTCo</u>
<b><u>WEIGHTED AVERAGE COST OF CAPITAL (WACC)</u></b>		
<b><u>LONG TERM DEBT INTEREST</u></b>		
2016 Projected	8,069,540	0
2016 True-Up	8,825,886	0
Inc/(Dec)	756,346	0
Percentage Inc/(Dec)	9.37%	0.00%
<b><u>COMMON EQUITY</u></b>		
2016 Projected	213,669,471	(831,371)
2016 True-Up	251,688,904	(914,915)
Inc/(Dec)	38,019,433	(83,544)
Percentage Inc/(Dec)	17.79%	10.05%
<b><u>TOTAL WACC</u></b>		
2016 Projected	7.57%	8.25%
2016 True-Up	7.39%	7.92%
Inc/(Dec)	-0.18%	-0.33%

# Questions



?

# American Electric Power

## Schedule 9 True-Up Results

**AMERICAN  
ELECTRIC  
POWER™**

BOUNDLESS ENERGY™

# Network Transmission Service Annual True-up



**Schedule 9, Network Integration Transmission Service (NITS), charges are trued up annually on an individual customer basis.**

**True-up amounts will be credited or charged, with interest, with the July service month billings.**



# Network Customer True-Up

## <<PSO/SWEPSCO>>



(A)	(B)	(C)	(D) = (B) - (C)	(E)	(F) = (D) + (E)
Customer	Actual Charge (2016 True-Up)	Invoiced for CY2016 Transmission Service	True-Up (w/o Interest)	Interest	Total True-Up Surcharge / (Refund)
AECC	\$ 13,611,071	\$ 13,161,055	\$ 450,016	\$ 16,222	\$ 466,238
Bentonville, AR	\$ 2,326,340	\$ 2,250,044	\$ 76,296	\$ 2,714	\$ 79,010
Coffeyville, KS	\$ 1,777,799	\$ 1,717,415	\$ 60,385	\$ 2,211	\$ 62,596
ETEC	\$ 3,884,393	\$ 3,791,108	\$ 93,285	\$ 2,626	\$ 95,911
Greenbelt	\$ 143,744	\$ 139,325	\$ 4,419	\$ 156	\$ 4,575
Hope, AR	\$ 941,771	\$ 910,580	\$ 31,191	\$ 1,116	\$ 32,307
Lighthouse	\$ 28,088	\$ 27,204	\$ 884	\$ 31	\$ 915
Minden, LA	\$ 527,061	\$ 509,641	\$ 17,420	\$ 620	\$ 18,040
NTEC	\$ 9,627,544	\$ 9,265,403	\$ 362,142	\$ 14,021	\$ 376,163
OG&E	\$ 317,228	\$ 306,052	\$ 11,176	\$ 396	\$ 11,572
OMPA	\$ 2,131,377	\$ 2,062,721	\$ 68,656	\$ 2,405	\$ 71,061
Prescott, AR	\$ 247,835	\$ 239,566	\$ 8,268	\$ 300	\$ 8,568
TEXLA	\$ 1,574,575	\$ 1,516,560	\$ 58,015	\$ 2,219	\$ 60,234
WFEC	\$ 662,544	\$ 639,936	\$ 22,609	\$ 827	\$ 23,435
<b>Non-Affiliate Subtotals</b>	<b>\$ 37,801,370</b>	<b>\$ 36,536,610</b>	<b>\$ 1,264,760</b>	<b>\$ 45,864</b>	<b>\$ 1,310,624</b>
PSO	\$ 62,322,116	\$ 60,281,976	\$ 2,040,139	\$ 72,364	\$ 2,112,503
SWEPSCO	\$ 59,296,882	\$ 57,313,141	\$ 1,983,741	\$ 71,565	\$ 2,055,306
SWEPSCO-Valley	\$ 2,506,433	\$ 2,420,418	\$ 86,015	\$ 3,170	\$ 89,185
<b>Affiliate Subtotals</b>	<b>\$ 124,125,431</b>	<b>\$ 120,015,535</b>	<b>\$ 4,109,896</b>	<b>\$ 147,099</b>	<b>\$ 4,256,995</b>
<b>TOTALS</b>	<b>\$ 161,926,801</b>	<b>\$ 156,552,146</b>	<b>\$ 5,374,656</b>	<b>\$ 192,963</b>	<b>\$ 5,567,619</b>

# Network Customer True-Up

## <<Oklahoma Transmission Company>>



	(A)	(B)	(C)	(D) = (B) - (C)	(E)	(F) = (D) + (E)
Customer	Actual Charge (2016 True-Up)	Invoiced for CY2016 Transmission Service	True-Up (w/o Interest)	Interest	Total True-Up Surcharge / (Refund)	
AECC	\$ 3,932,080	\$ 3,580,293	\$ 351,787	\$ 16,910	\$ 368,696	
Bentonville, AR	\$ 672,052	\$ 613,703	\$ 58,350	\$ 2,765	\$ 61,115	
Coffeyville, KS	\$ 513,586	\$ 463,028	\$ 50,558	\$ 2,427	\$ 52,985	
ETEC	\$ 1,122,156	\$ 1,122,601	\$ (445)	\$ 1,388	\$ 943	
Greenbelt	\$ 41,526	\$ 38,767	\$ 2,759	\$ 139	\$ 2,899	
Hope, AR	\$ 272,067	\$ 247,572	\$ 24,494	\$ 1,160	\$ 25,654	
Lighthouse	\$ 8,114	\$ 7,517	\$ 597	\$ 29	\$ 626	
Minden, LA	\$ 152,262	\$ 138,656	\$ 13,606	\$ 635	\$ 14,240	
NTEC	\$ 2,781,285	\$ 2,406,685	\$ 374,600	\$ 16,725	\$ 391,325	
OG&E	\$ 91,644	\$ 81,472	\$ 10,171	\$ 452	\$ 10,623	
OMPA	\$ 615,730	\$ 565,846	\$ 49,884	\$ 2,350	\$ 52,235	
Prescott, AR	\$ 71,597	\$ 64,979	\$ 6,618	\$ 318	\$ 6,936	
TEXLA	\$ 454,876	\$ 397,090	\$ 57,786	\$ 2,579	\$ 60,365	
WFEC	\$ 191,401	\$ 172,259	\$ 19,142	\$ 905	\$ 20,046	
<b>Non-Affiliate Subtotals</b>	<b>\$ 10,920,375</b>	<b>\$ 9,900,468</b>	<b>\$ 1,019,907</b>	<b>\$ 48,781</b>	<b>\$ 1,068,688</b>	
PSO	\$ 18,004,133	\$ 16,451,870	\$ 1,552,263	\$ 73,466	\$ 1,625,730	
SWEPCO	\$ 17,130,179	\$ 15,530,929	\$ 1,599,249	\$ 75,705	\$ 1,674,955	
SWEPCO-Valley	\$ 724,079	\$ 650,271	\$ 73,808	\$ 3,508	\$ 77,316	
<b>Affiliate Subtotals</b>	<b>\$ 35,858,391</b>	<b>\$ 32,633,070</b>	<b>\$ 3,225,321</b>	<b>\$ 152,680</b>	<b>\$ 3,378,001</b>	
<b>TOTALS</b>	<b>\$ 46,778,767</b>	<b>\$ 42,533,538</b>	<b>\$ 4,245,228</b>	<b>\$ 201,461</b>	<b>\$ 4,446,689</b>	

# Network Customer True-Up

## <<Southwestern Transmission Company>>



(A)	(B)	(C)	(D) = (B) - (C)	(E)	(F) = (D) + (E)
Customer	Actual Charge (2016 True-Up)	Invoiced for CY2016 Transmission Service	True-Up (w/o Interest)	Interest	Total True-Up Surcharge / (Refund)
AECC	\$ 11,039	\$ 11,372	\$ (333)	\$ (14)	\$ (347)
Bentonville, AR	\$ 1,887	\$ 1,942	\$ (56)	\$ (2)	\$ (58)
Coffeyville, KS	\$ 1,442	\$ 1,488	\$ (47)	\$ (2)	\$ (49)
ETEC	\$ 3,150	\$ 3,177	\$ (27)	\$ (2)	\$ (29)
Greenbelt	\$ 117	\$ 119	\$ (3)	\$ (0)	\$ (3)
Hope, AR	\$ 764	\$ 787	\$ (23)	\$ (1)	\$ (24)
Lighthouse	\$ 23	\$ 23	\$ (1)	\$ (0)	\$ (1)
Minden, LA	\$ 427	\$ 440	\$ (13)	\$ (1)	\$ (13)
NTEC	\$ 7,808	\$ 8,128	\$ (320)	\$ (14)	\$ (334)
OG&E	\$ 257	\$ 266	\$ (9)	\$ (0)	\$ (9)
OMPA	\$ 1,729	\$ 1,777	\$ (49)	\$ (2)	\$ (51)
Prescott, AR	\$ 201	\$ 207	\$ (6)	\$ (0)	\$ (6)
TEXLA	\$ 1,277	\$ 1,327	\$ (50)	\$ (2)	\$ (52)
WFEC	\$ 537	\$ 555	\$ (18)	\$ (1)	\$ (18)
<b>Non-Affiliate Subtotals</b>	<b>\$ 30,658</b>	<b>\$ 31,611</b>	<b>\$ (953)</b>	<b>\$ (41)</b>	<b>\$ (994)</b>
PSO	\$ 50,545	\$ 52,029	\$ (1,484)	\$ (63)	\$ (1,547)
SWEPSCO	\$ 48,091	\$ 49,585	\$ (1,494)	\$ (64)	\$ (1,558)
SWEPSCO-Valley	\$ 2,033	\$ 2,100	\$ (67)	\$ (3)	\$ (70)
<b>Affiliate Subtotals</b>	<b>\$ 100,669</b>	<b>\$ 103,714</b>	<b>\$ (3,045)</b>	<b>\$ (130)</b>	<b>\$ (3,175)</b>
<b>TOTALS</b>	<b>\$ 131,327</b>	<b>\$ 135,325</b>	<b>\$ (3,998)</b>	<b>\$ (172)</b>	<b>\$ (4,169)</b>

# Network Customer True-Up

## <<AEP WEST --- NET NITS TRUE-UP>>



(A)	(B)	(C)	(D) = (B) - (C)	(E)	(F) = (D) + (E)
Customer	Actual Charge (2016 True-Up)	Invoiced for CY2016 Transmission Service	True-Up (w/o Interest)	Interest	Total True-Up Surcharge / (Refund)
AECC	\$ 17,554,189	\$ 16,752,720	\$ 801,470	\$ 33,117	\$ 834,587
Bentonville, AR	\$ 3,000,279	\$ 2,865,690	\$ 134,589	\$ 5,477	\$ 140,066
Coffeyville, KS	\$ 2,292,827	\$ 2,181,931	\$ 110,896	\$ 4,636	\$ 115,532
ETEC	\$ 5,009,699	\$ 4,916,886	\$ 92,813	\$ 4,012	\$ 96,825
Greenbelt	\$ 185,387	\$ 178,211	\$ 7,176	\$ 295	\$ 7,471
Hope, AR	\$ 1,214,602	\$ 1,158,939	\$ 55,662	\$ 2,275	\$ 57,937
Lighthouse	\$ 36,225	\$ 34,744	\$ 1,481	\$ 60	\$ 1,540
Minden, LA	\$ 679,751	\$ 648,738	\$ 31,013	\$ 1,254	\$ 32,267
NTEC	\$ 12,416,638	\$ 11,680,216	\$ 736,422	\$ 30,733	\$ 767,154
OG&E	\$ 409,129	\$ 387,791	\$ 21,338	\$ 848	\$ 22,186
OMPA	\$ 2,748,835	\$ 2,630,344	\$ 118,491	\$ 4,754	\$ 123,245
Prescott, AR	\$ 319,632	\$ 304,752	\$ 14,880	\$ 617	\$ 15,497
TEXLA	\$ 2,030,729	\$ 1,914,977	\$ 115,751	\$ 4,796	\$ 120,547
WFEC	\$ 854,483	\$ 812,750	\$ 41,733	\$ 1,731	\$ 43,464
<b>Non-Affiliate Subtotals</b>	<b>\$ 48,752,404</b>	<b>\$ 46,468,689</b>	<b>\$ 2,283,715</b>	<b>\$ 94,604</b>	<b>\$ 2,378,318</b>
PSO	\$ 80,376,794	\$ 76,785,875	\$ 3,590,919	\$ 145,768	\$ 3,736,686
SWEPCO	\$ 76,475,152	\$ 72,893,656	\$ 3,581,497	\$ 147,206	\$ 3,728,703
SWEPCO-Valley	\$ 3,232,545	\$ 3,072,789	\$ 159,756	\$ 6,675	\$ 166,431
<b>Affiliate Subtotals</b>	<b>\$ 160,084,491</b>	<b>\$ 152,752,320</b>	<b>\$ 7,332,171</b>	<b>\$ 299,649</b>	<b>\$ 7,631,820</b>
<b>TOTALS</b>	<b>\$ 208,836,894</b>	<b>\$ 199,221,009</b>	<b>\$ 9,615,886</b>	<b>\$ 394,252</b>	<b>\$ 10,010,138</b>

# American Electric Power

## Schedule 11 True-Up

**AMERICAN  
ELECTRIC  
POWER™**

BOUNDLESS ENERGY™

# Base Plan Upgrades Annual True-up



**Schedule 11, Base Plan Upgrades (BPU), charges are trued up annually, with interest.**

**The true-up adjustment will be rolled together with the Projected BPU revenue requirement and collected or refunded over the ensuing rate year.**

# Schedule 11 True Up Results



Company	Projected 2017 Base ATRR	2016 True-Up Adjustment	Interest	Adjusted ATRR Effective 7/1/17
PSO	6,729,904	(287,901)	(15,353)	6,426,650
SWEPCO	83,927,077	673,313	(148,212)	84,452,178
OKTCO	27,948,610	4,589,170	296,416	32,834,196

# Questions



?