

DATE: May 26, 2009

TO: Hon. Kimberly D. Bose, Federal Energy Regulatory Commission

FROM: Dennis W. Bethel, Managing Director - Regulated
Tariffs, AEP Service Corporation

**Notice of Annual Update of AEP East Formula Rate
FERC Docket No. ER08-1329**

In accordance with the AEP Formula Rate Implementation Protocols, filed in FERC Docket No. ER08-1069- as *pro forma* PJM Interconnection, L.L.C. FERC Electric Tariff Sixth Revised Volume No. 1 Substitute First Revised Sheet Nos. 314 C, Substitute Original Sheet No 314C.01 through Substitute Original Sheet No 314C.05, AEP hereby provides notice that the Annual Update of its formula rate has been posted on the PJM website and may be accessed at the following URL address¹:

<http://www.pjm.com/markets-and-operations/transmission-service/formula-rates.aspx>

The Annual Update reflects the rate currently on file with the Federal Energy Regulatory Commission in Docket No. ER08-1329 and reflects no changes to accounting policies, practice or procedures that impact the formula or calculation since the rate was initially filed.

The files posted on the PJM website are “read only” accessible, but can be saved with a different file name to make a file.

Questions regarding this communication may be directed to Mohan Sachdeva at 614-716-2375 or mksachdeva@aep.com OR Diane Keegan at 614-716-2317 or dmkeegan@aep.com

Cc: Service List –Docket No. ER08-1329.

¹ To locate the AEP East formula rate Annual Update once you have accessed the URL, you must select the dropdown for Rates Effective July 1, 2009 - June 30, 2010 and click on the appropriate AEP Formula Rate Calculation link.