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October 17, 2017

BY HAND DELIVERY

Ms. Ingrid Ferrell, Executive Secretary
Public Service Commission of West Virginia
201 Brooks Street
Charleston, West Virginia 25301

04:06 PM OCT 17 2017 EXEC SEC DIV

Re: *Case No. 12-1188-E-PC (Closed Entry)*
Application for Securitization Approval pursuant to
W.Va. Code §24-2-4f and Approval of Affiliated
Agreements pursuant to W.Va. Code §24-2-12.

Dear Ms. Ferrell:

I am enclosing herewith on behalf of Appalachian Power Company (“APCo”) for filing as a closed entry in the above-referenced proceeding the original and twelve (12) copies of a periodic true-up adjustment pursuant to Section Q.(ii) of the Commission’s September 20, 2013 Financing Order in the above-referenced proceeding. APCo, as servicer of the consumer rate relief bonds, is filing this adjustment to correct under-collections during the previous collection period and to ensure the billing of consumer rate relief charges necessary to generate timely collection of amounts sufficient to pay in full the Periodic Payment Requirements for the upcoming collection periods.

This filing consists of the following attachments:

- (1) Calculation of APCRR Rates
- (2) Reconciliation of Under Collection from August 2017 through October 2017
- (3) Summary of Rate Design Calculation
- (4) Eighth Revision of Original Sheet No. 35
- (5) Consumer Rate Relief Charges for Special Contract Customers
- (6) Semi-Annual Servicer’s Certificate

Ms. Ingrid Ferrell
October 17, 2017
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If the Commission has any questions about this filing or concludes that there are any mathematical error(s) in the application of the adjustment mechanism, please do not hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in black ink that reads "Brian E. Calabrese". The signature is written in a cursive style with a long horizontal flourish at the end.

Brian E. Calabrese
(W.Va. State Bar #12028)

Counsel for Appalachian Power Company

BEC:sr
Enclosures

APCO CRR Rate Comparison

CRR Rate Classes	Previous Customer Rate Relief Charge Jul 2017 - Oct 2017		New Customer Rate Relief Charge Nov 2017 - Oct 2018	
	¢/kWh	\$/kW	¢/kWh	\$/kW
Residential (RS, RS- TOD)	0.330		0.283	
Commercial - Secondary (SWS, SGS, SS-Secondary, GS-Secondary)	0.286		0.283	
Commercial - Primary (SS & GS Primary)	0.266		0.263	
Commercial - Subtransmission (GS - Subtransmission)	0.210		0.208	
Commercial - Special Contract C (Spec Contract C)	-		-	
Commercial - Athletic Fields (GS- AF & SS -AF)	0.172		0.170	
Commercial - OL & SL (OL & SL)	0.198		0.189	
Industrial - Secondary (LCP & IP Secondary)	0.231	0.778	0.230	0.871
Industrial - Primary (LCP & IP Primary)	0.203	0.430	0.201	0.441
Industrial - Subtransmission (LCP & IP Subtransmission)	0.219	0.477	0.217	0.457
Industrial - Transmission (LCP & IP- Tran, Spec Contract K)	0.180	0.333	0.175	0.291
Industrial - Special Contract A (Spec Contract A)	0.394	1.117	0.311	1.058
Industrial - Special Contract B (Spec Contract B)	0.137	0.097	0.120	0.092
Industrial - Special Contract D (Spec Contract D)	0.083	-	0.078	-
Industrial - Special Contract I (Spec Contract I)	0.116	0.199	0.107	0.188

Reconciliation of Under Collection from August 2017 through October 2017

Excess Funds Subaccount Balance as of Semi-Annual Servicer Certificate 8/1/17	\$150,985.76
Capital Subaccount Withdraw as of Semi Annual Servicer Certificate 8/1/17	0.00
True Up from the July 2017 monthly Servicer's Certificate, not wired until 8/25/2017	67,008.84 add j or subtract k

	Current Model Projected Collections	Actual Collections	Under Collected	
Aug-17	3,110,578.34	3,260,758.57	150,180.23	
Sep-17	3,152,171.20	2,908,415.22	(243,755.99)	-7.73%
Oct-17	3,048,321.08	2,812,595.78	(235,725.30)	-7.73%
			(329,301.06)	
Section 101 (a) Under Collections			(111,306.46)	

(1) CRR Rate Class	(2) Revenue Allocation Percentage	(3) (a) Forecasted Monthly Billing Demand (kWh)	(3) (b) Relative Percentage of Total Revenue Requirement	(4) Forecasted Energy Nov 2017 - Oct 2018 (kWh)		(5) Periodic Billing Requirements for each CRR Rate Class		(6) Customer Rate Relief Change (kWh)	(7) Customer Rate Relief Change (kWh)	(8) Revenue Verification	(9) Consumer Rate Relief Revenue Group
						Demand	Energy				
Residential (RS, RS-TOD)	40.99%			5,104,609,657			\$14,454,432.08	0.283		\$14,454,432.20	Residential
Commercial - Secondary (SWS, SGS, SS-Secondary, GS-Secondary)	24.17%			3,011,697,303			\$ 8,523,347.73	0.283		\$ 8,523,347.92	Commercial
Commercial - Primary (SS & GS Primary)	2.34%			314,298,941			\$ 826,706.86	0.263		\$ 826,706.88	
Commercial - Subtransmission (GS - Subtransmission)	0.16%			27,849,223			\$ 57,869.48	0.208		\$ 57,869.48	
Commercial - Special Contract C (Spec Contract C)	0.00%			2,210,715			\$ -	0.000		\$ -	
Commercial - Athletic Fields (GS-AF & SS-AF)	0.04%			7,278,622			\$ 12,400.60	0.170		\$ 12,400.60	
Commercial - OL & SL (OL & SL)	0.52%			96,036,145			\$ 181,875.51	0.189		\$ 181,875.52	
Industrial - Secondary (LCP & IP Secondary)	1.30%	20,262	46.14%	107,703,646	458,976.69	\$ 211,782.79	\$ 247,193.91	0.230	0.871	\$ 458,976.71	Industrial
Industrial - Primary (LCP & IP Primary)	8.57%	195,896	34.29%	986,377,240	3,021,596.57	\$1,036,103.28	\$ 1,985,493.29	0.201	0.441	\$ 3,021,596.69	
Industrial - Subtransmission (LCP & IP Subtransmission)	9.92%	220,914	34.60%	1,053,507,816	3,498,226.21	\$1,210,532.67	\$ 2,287,693.54	0.217	0.457	\$ 3,498,226.32	
Industrial - Transmission (LCP & IP-Trans, Spec Contract K)	6.81%	208,274	30.27%	955,994,860	2,400,801.17	\$ 726,784.96	\$ 1,674,016.21	0.175	0.291	\$ 2,400,801.67	
Industrial - Special Contract A (Spec Contract A)	2.06%	22,000	38.43%	144,000,000	726,713.10	\$ 279,255.39	\$ 447,457.71	0.311	1.058	\$ 726,713.23	
Industrial - Special Contract B (Spec Contract B)	1.78%	110,000	19.41%	421,723,771	626,679.72	\$ 121,664.61	\$ 505,015.10	0.120	0.092	\$ 626,679.54	
Industrial - Special Contract D (Spec Contract D)	0.48%	37,540	0.00%	216,214,591	167,703.02	\$ -	\$ 167,703.02	0.078	0.000	\$ 167,703.04	
Industrial - Special Contract I (Spec Contract I)	0.97%	39,000	28.79%	203,463,967	305,984.46	\$ 88,082.40	\$ 217,902.06	0.107	0.188	\$ 305,984.36	
	100.00%			12,652,986,496		\$3,674,206.09	\$31,589,107.11			\$35,263,314.16	

APPALACHIAN POWER COMPANY

**Eighth Revision of Original Sheet No. 35
Canceling Seventh Revision of Original Sheet No. 35**

(See Sheet Nos. 2-1 through 2-7 for Applicability)

P.S.C. W.VA. TARIFF NO. 14 (APPALACHIAN POWER COMPANY)

**Consumer Rate Relief Charges
(CRRC)**

A Consumer Rate Relief Charge (CRRC) will be applied to customers' bills rendered on or after November 1, 2017 under the applicable Schedules as set forth in the table below.

	<u>Schedule</u>	<u>Energy</u> (¢/kWh)	<u>Demand</u> (\$/kW)
(I)	RS	0.283	
	RS-TOD		
(I)	On-peak	0.283	
(I)	Off-peak	0.283	
(I)	SWS	0.283	
(I)	SGS	0.283	
	SGS-LM-TOD		
(I)	On-peak	0.283	
(I)	Off-peak	0.283	
	SS		
(I)	Secondary	0.283	
(I)	Primary	0.263	
(I)	AF	0.170	
	GS		
(I)	Secondary	0.283	
(I)	Primary	0.263	
(I)	Subtransmission	0.208	
	Transmission	0.000	
(I)	AF	0.170	
	GS-TOD		
(I)	On-peak Secondary	0.283	
(I)	Off-peak Secondary	0.283	
(I)	On-peak Primary	0.263	
(I)	Off-peak Primary	0.263	
	LGS-TOD		
(I)	On-peak Secondary	0.283	
(I)	Off-peak Secondary	0.283	
(I)	On-peak Primary	0.263	
(I)	Off-peak Primary	0.263	
	LCP		
(I)	Secondary	0.230	0.871
(I)	Primary	0.201	0.441
(I)	Subtransmission	0.217	0.457
(I)	Transmission	0.175	0.291
	IP		
(I)	Secondary	0.230	0.871
(I)	Primary	0.201	0.441
(I)	Subtransmission	0.217	0.457
(I)	Transmission	0.175	0.291
(I)	OL	0.189	
(I)	SL	0.189	

(C) Indicates Change, (D) Indicates Decrease, (I) Indicates Increase, (N) Indicates, New (O) Indicates Omission, (T) Indicates Temporary

Issued Pursuant to
P.S.C. West Virginia
Case No. 12-1188-E-PC
Order Dated September 20, 2013

Issued By
Christian T. Beam, President & COO
Charleston, West Virginia

Effective: Service rendered on or after
November 1, 2017

**CONSUMER RATE RELIEF CHARGES FOR SPECIAL CONTRACT CUSTOMERS
EFFECTIVE NOVEMBER 1, 2017**

Special Contract Customer	Energy (¢/kWh)	Demand (\$/kW)
Special Contract A	0.311	1.058
Special Contract B	0.120	0.092
Special Contract C	0.000	0.000
Special Contract D	0.078	0.000
Special Contract I	0.107	0.188
Special Contract K	0.175	0.291

Semi-Annual Servicer's Certificate
Appalachian Power Company, as Servicer
Appalachian Consumer Rate Relief Funding LLC

Pursuant to Section 4.01(c)(ii) of the CRR Property Servicing Agreement dated as of November 15, 2013 (the "Servicing Agreement"), between, APPALACHIAN POWER COMPANY, as Servicer and APPALACHIAN CONSUMER RATE RELIEF FUNDING LLC, the Servicer does hereby certify, for the August 1, 2017 Payment Date (the "Current Payment Date"), as follows:

Capitalized terms used herein have their respective meanings as set forth in the Indenture (as defined in the Servicing Agreement). References herein to certain sections and subsections are references to the respective sections of the Servicing Agreement or the Indenture, as the context indicates.

Collection Periods: Feb-2017 to Jul-2017

Payment Date: 8/1/2017

1. Collections Allocable and Aggregate Amounts Available for the Current Payment Date:

i. Remittances for the 2/17 Collection Period	2,603,539.88
ii. Remittances for the 3/17 Collection Period	2,891,610.41
iii. Remittances for the 4/17 Collection Period	2,553,709.72
iv. Remittances for the 5/17 Collection Period	2,535,726.27
v. Remittances for the 6/17 Collection Period	2,762,194.06
vi. Remittances for the 7/17 Collection Period	2,888,252.93
x. Investment Earnings on Collection Account	
xi. Investment Earnings on Capital Subaccount	5,503.25
xii. Investment Earnings on Excess Funds Subaccount	1,689.21
xiii. Investment Earnings on General Subaccount	25,406.63
xiv. General Subaccount Balance (sum of i through xiii above)	16,267,632.36
xv. Excess Funds Subaccount Balance as of Prior Payment Date	646,901.65
xvi. Capital Subaccount Balance as of Prior Payment Date	1,901,500.00
xvii. Collection Account Balance (sum of xiv through xvi above)	18,816,034.01

2. Outstanding Amounts as of Prior Payment Date:

i. Tranche A-1 Outstanding Amount	146,117,824.29
ii. Tranche A-2 Outstanding Amount	164,500,000.00
iii. Aggregate Outstanding Amount of all Tranches:	310,617,824.29

Notes:

¹ February's remittances include the previous months true-up amount and money left in the General funds account. July's remittances do not include the previous month's true-up, which will settle on August 25, 2017.

3. Required Funding/Payments as of Current Payment Date:

Principal				Principal Due	
i. Tranche A-1				11,941,681.89	
ii. Tranche A-2				0.00	
iii. For all Tranches:				11,941,681.89	
Interest Tranche	Interest Rate	Days in Interest Period (1)	Principal Balance	Interest Due	
iv. Tranche A-1	2.0076%	180	146,117,824.29	1,466,730.72	
v. Tranche A-2	3.7722%	180	164,500,000.00	3,102,634.50	
vi. For all Tranches:				4,569,365.22	
			Required Level	Funding Required	
vii. Capital Subaccount			1,901,500.00	0.00	
			1,901,500.00	0.00	

4. Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture:

i. Trustee Fees and Expenses, Indemnity Amounts ²	
ii. Servicing Fee	95,075.00
iii. Administration Fee	50,000.00
iv. Operating Expenses	51,807.26
v. Semi-Annual Interest (including any past-due for prior periods)	4,569,365.22

Tranche	Aggregate	Per \$1000 of Original Principal Amount
1. Tranche A-1 Interest Payment	1,466,730.72	\$6.7967
2. Tranche A-2 Interest Payment	3,102,634.50	\$18.8610
	4,569,365.22	
vi. Principal Due and Payable as a Result of Event of Default or on Final Maturity Date		0.00
1. Tranche A-1 Principal Payment	0.00	\$0.0000
2. Tranche A-2 Principal Payment	0.00	\$0.0000
	0.00	

Notes:

¹ On 30/360 day basis for initial payment date; otherwise use one-half of annual rate.

² Subject to \$100,000 cap

vii. Semi-Annual Principal 11,941,681.89

<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Principal Payment	11,941,681.89	\$55.3368
2. Tranche A-2 Principal Payment	0.00	\$0.0000
viii. Other Unpaid Operating Expenses		0.00
ix. Funding of Capital Subaccount		1,901,500.00
x. Permitted Return to APCo		55,618.88
xi. Deposit to Excess Funds Subaccount		150,985.76
xii. Released to Issuer upon Retirement of all Consumer Rate Relief Bonds		0.00
xiii. Aggregate Remittances as of Current Payment Date		18,816,034.01

5. Outstanding Amount and Collection Account Balance as of Current Payment Date (after giving effect to payments to be made on such Payment Date):

<u>Tranche</u>	
i. Tranche A-1	134,176,142.40
ii. Tranche A-2	164,500,000.00
iii. Aggregate Outstanding Amount of all Tranches	298,676,142.40
iv. Excess Funds Subaccount Balance	150,985.76
v. Capital Subaccount Balance	1,901,500.00
vi. Aggregate Collection Account Balance	2,052,485.76

6. Subaccount Withdrawals as of Current Payment Date (if applicable, pursuant to Section 8.02(e) of Indenture):

i. Excess Funds Subaccount	648,590.86
ii. Capital Subaccount	1,907,003.25
iii. Total Withdrawals	2,555,594.11

7. Shortfalls In Interest and Principal Payments as of Current Payment Date:

i. Semi-annual Interest	
1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
	0.00
ii. Semi-annual Principal	
1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
	0.00

8. Shortfalls in Payment of Permitted Return as of Current Payment Date:


i. Permitted Return	0.00
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9. Shortfalls in Required Subaccount Levels as of Current Payment Date:

i. Capital Subaccount	0.00
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IN WITNESS WHEREOF, the undersigned has duly executed and
delivered this Servicer's Certificate this 31st day of July, 2017.

APPALACHIAN POWER COMPANY
as Servicer

By: 
Name: Renee V. Hawkins
Title: Assistant Treasurer

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

CASE NO. 12-1188-E-PC

APPALACHIAN POWER COMPANY and
WHEELING POWER COMPANY,
public utilities.

Petition for consent and approval of application
to securitize uncollected expanded net energy costs
pursuant to W.Va. Code §24-2-4f and affiliated
agreements pursuant to W.Va. Code §24-2-12.

CERTIFICATE OF SERVICE

I, Brian E. Calabrese, counsel for Appalachian Power Company, do hereby certify that true copies of the foregoing filing were served by hand delivery or first-class U.S. Mail this 17th day of October, 2017, addressed to the following:

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Public Service Commission*

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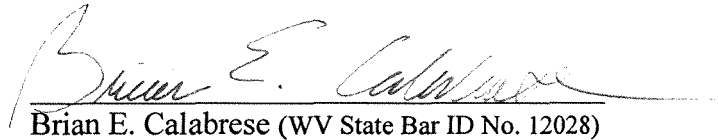
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