

Projected Formula Rate for AEP East subsidiaries in PJM

To be Effective January 1, 2017 through December 31, 2017

Docket No ER08-1329

Pursuant to PJM OATT Attachment H-14A (Formula Rate Implementation Protocols), AEP has calculated its Projected Transmission Revenue Requirements (PTRR) for the Rate Year beginning January 1, 2017 through December 31, 2017. All the files pertaining to the Annual Update are to be posted on the PJM website in PDF format. The first file provides the PTRR and rates for Network transmission service and Scheduling System Control and Dispatch Service (Schedule 1A), and the annual transmission revenue requirement for RTEP projects (Schedule 12). An informational filing will also be submitted to the FERC.

AEP network service rate will increase effective January 1, 2017 from \$30,979.72 per MW per year to \$36,366.48 per MW per year with the AEP annual revenue requirement increasing from \$765,976,584 to \$817,362,162.

The AEP Schedule 1A rate increased from \$.0923 per MWh to \$.1000 per MWh.

An annual revenue requirement of \$43,791,672 for RTEP projects (including true-up and interest) is to be collected under PJM Tariff Schedule 12. The RTEP Project revenue requirement includes:

1. b0839 (Twin Branch) \$1,152,475
2. b0318 (Amos 765/138 kV Transformer) \$1,768,582
3. b0504 (Hanging Rock) \$1,015,979
4. b0570 (East Side Lima) \$154,435
5. b1034.1 (Torrey-West Canton) \$924,346
6. b1034.6 (138kV circuit South Canton Station) \$373,191
7. b1231 (West Moulton Station) \$1,270,473
8. b1465.2 (Rockport Jefferson 300 MVAR bank) \$78,310
9. b1465.3 (Rockport Jefferson 765 kV line) \$3,272,061
10. b1712.2 (Altavista-Leesville 138kV line) \$331,658
11. b1864.1 (OPCo Kammer 345/138 kV transformers) \$20,957
12. b1864.2 (West Bellaire-Brues 138 kV circuit) of \$154,877
13. b2020 (Rebuild Amos-Kanawha River) \$2,549,339
14. b2021 (APCo Kanawha River Gen Retirement Upgrades) \$336,317
15. b2017 (APCo Rebuild Sporn-Waterford Muskingum River 345kV line) \$2,546,840
16. b1659.14 (Ft. Wayne Relocate) \$(55,404)
17. b2048 (Tanners Creek-Transformer Replacement) \$119,294
18. b1818 (Expand the Allen Station) \$1,563,176
19. b1819 (Rebuild Robinson Park 138kV line corridor) \$565,140
20. b1465.4 (Switching imp at Sullivan Jefferson 765kV station) \$47,859
21. b2021 (OPCo 345/138kV Transformer) \$(1,002,373)
22. b2032 (Rebuild 138kV Elliott Tap-Poston) \$24,088
23. b1034.2 (Loop South Canton-Wayview) \$694,261

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24. b1034.7 (Replace circuit breakers Torrey/Wagenhals) \$1,082,787
25. b1970 (Reconductor Kammer-West Bellaire) \$200,266
26. b2018 (Loop Conesville-Bixby 345kV) \$74,270
27. b1032.4 (Loop the existing South Canton-Wayview 138kV circuit) \$269,207
28. b1666 (Build an 8 breaker 138kV station Fosteria-East Lima) \$808,527
29. b1957 (Terminate transformer #2 SW Lima) \$551,006
30. b1962 (Add four 765kV breakers Kammer) \$11,714
31. b2019 (Burger 345/138kV Station) \$1,828,873
32. b2017 (OPCo Reconductor Sporn-Waterford-Muskingum River) \$1,583,831
33. b1032.3 (Convert Ross-Circleville 138kV) \$1,508,826
34. b1660 (Install 765/500 kV transformer Cloverdale) \$8,889,735
35. b1660.1 (Cloverdale Establish 500 kV station) \$3,514,742
36. b1663.2 (Jacksons-Ferry 765kV breakers) \$1,141,031
37. b1875 (138 kV Bradley to McClung upgrades) \$58,204
38. b1797.1 (Reconductor Cloverdale-Lexington 500 kV line) \$3,438,786
39. b1712.1 (Altavista-Leesville 138kV line) \$35,555
40. b1032.2 (Two 138kV outlets to Delano&Camp) \$836,737
41. b1818 (Expand Allen w/345/138kV xfmr) \$51,695