

Projected Formula Rate for

**AEP Appalachian Transmission Company, Inc.
AEP Indiana Michigan Transmission Company, Inc.
AEP Kentucky Transmission Company, Inc.
AEP Ohio Transmission Company, Inc.
AEP West Virginia Transmission Company, Inc.**

**To be Effective January 1, 2017
Docket No ER10-355**

Pursuant to Attachment H-20A (Formula Rate Implementation Protocols) in PJM Tariff, AEP has calculated its Projected Transmission Revenue Requirements (PTRR) to produce the Rates beginning January 1, 2017 through December 31, 2017. All the files pertaining to the PTRR are also posted on the PJM website in PDF format along with supporting workpapers. The first file provides the PTRR and rates for Network transmission service and Scheduling System Control and Dispatch Service, Schedule 1A.

AEP network service rate will increase effective January 1, 2017 from \$14,565.47 per MW per year or \$39.91/MW Day to \$20,624.88 per MW per year or \$56.51/MW Day with the AEP annual revenue requirement increasing from \$360,132,800 to \$463,558,513.

The AEP Transmission Companies' Schedule 1A rates are not applicable because they are handled via AEP Operating Companies.

An annual revenue requirement of \$152,074,418 for RTEP projects (including true-up and interest) is to be collected under PJM Tariff Schedule 12. The RTEP Project revenue requirement includes:

1. b1465.4 (Rockport Jefferson) of \$1,745,054
2. b1465.2 (Rockport Jefferson-MVAR Bank) \$2,009,698
3. b2048 (Tanners Creek 345/138 kV transformer) \$783,738
4. b1818 (Expand the Allen station) \$9,074,293
5. b1819 (Rebuild Robinson Park) \$8,454,247
6. b1659 (Sorenson Add 765/345 kV transformer) \$5,667,478
7. b1659.13 (Sorenson Exp. Work 765kV) \$7,261,914
8. b1659.14 (Sorenson 14miles 765 line) \$8,131,617
9. b0570 (Lima-Sterling) \$1,641,401
10. b1231 (Wapakoneta-West Moulton) \$608,428
11. b1034.1 (South Canton-Wagenhals-Wayview 138 kV) \$1,563,485
12. b1034.8 (South Canton Wagenhals Station) \$788,081
13. b1864.2 (West Bellaire-Brues 138 kV Circuit) \$196,798
14. b1870 (Ohio Central Transformer) \$1,254,621
15. b1032.2 (Two 138kV outlets to Delano/Camp Sherman) \$5,142,039
16. b1034.2 (Loop existing South Canton-Wayview 138kV) \$1,250,842

Projected Formula Rate for

AEP Appalachian Transmission Company, Inc.
AEP Indiana Michigan Transmission Company, Inc.
AEP Kentucky Transmission Company, Inc.
AEP Ohio Transmission Company, Inc.
AEP West Virginia Transmission Company, Inc.

To be Effective January 1, 2017
Docket No ER10-355

17. b1034.3 (345/138kV 450 MVA transformer Canton Central) \$2,575,090
18. b1970 (Reconductor Kammer-West Bellaire) \$2,578,153
19. b2018 (Loop Conesville-Bixby 345 kV) \$2,910,415
20. b2021 (OHTCo - Add 345/138kV trans. Sporn, Kanawha & Muskingum River stations) \$4,149,322
21. b2032 (Rebuild 138kV Elliott Tap Poston line) \$92,431
22. b1032.1 (Construct new 345/138kV station Marquis-Bixby) \$(318,603)
23. b1032.4 (Install 138/69kV transformer Ross Highland) \$1,390,691
24. b1666 (Build 8 breaker 138kV station Fostoria-East Lima) \$1,126,676
25. b1819 (Rebuild Robinson Park 345kV double circuit) \$(1,045,271)
26. b1957 (Terminate Transformer #2 SW Lima) \$1,660,139
27. b2019 (Establish Burger 345/138kV station) \$11,043,378
28. b2017 (OHTCo Rebuild Sporn-Waterford-Muskingum River) \$11,408,635
29. b1661 (765kV circuit breaker Wyoming station) \$543,030
30. b1864.1 (Add 2 345/138kV transformers at Kammer) \$12,516,126
31. b2021 (WVTCO - Add 345/138kV trans. Sporn, Kanawha & Muskingum River stations) \$2,512,922
32. b1948 (New 765/345 interconnection Sporn) \$8,661,090
33. b1962 (Add four 765kV breakers Kammer) \$3,329,695
34. b2017 (WVTCO Rebuild Sporn-Waterford-Muskingum River) \$189,766
35. b2020 (Rebuild Amos-Kanawha River 138 kV corridor) \$19,278,915
36. b2022 (Tristate-Kyger Creek 345kV line at Sporn) \$701,182
37. b1875 (138 kV Bradley to McClung upgrades) \$282,208
38. b1495 (Add 765/345 kV transf. Baker Station) \$5,097,838
39. b1465.1 (Add 3rd 2250 MVA 765/345 kv xfmr. Sullivan) \$3,283,917
40. b1818 (Expand Allen w/2nd xfmr. 138kV double circuit tower) \$525,167
41. b2230 (Replace existing 150 MVAR reactor Amos 765kV) \$781,130
42. b2423 (Install 300 MVAR shunt reactor Wyoming 765kV station) \$1,226,646