

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

KIUC 1-01 For each of the 6 resource plans, provide a load and resource table showing peak demand, existing resources by individual resource, new resources, any retirements, capacity reserves, and the Company's reserve margin calculation. Provide this information to 2049, the end of the Plexos modeling period, and provide this electronically, with all formulae intact.

RESPONSE

The Company analyzed more than 6 resource plans for this IRP.

See KPCO_R_KIUC_1_01_Attachment1 through KPCO_R_KIUC_1_01_Attachment13 for the capacity position workbooks for the 6 traditional scenarios/portfolios listed in Table 14, the 2 IRP scenarios listed in Table 15, the 4 Stakeholder scenarios listed in Table 16 and the Preferred Plan capacity position workbook for the requested information.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-02 For every table or graph presented in the Executive Summary please provide all workpapers used to create the tables and graphs and provide them electronically with all formulae intact.

RESPONSE

See KPCO_R_KIUC_1_02 Attachment1 for Figures: ES-1, ES-3, ES-4 and ES-7.

See KPCO_R_KIUC_1_02 Attachment2 for Table ES-1 and Figure ES-2.

See KPCO_R_KIUC_1_02 Attachment3 for Figures: ES-5, ES-6, and ES-8.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-03 Page ES-3 mentions that runs went to 2049 so that end effects were considered. Please explain in detail how end effects were computed for both production costs, and capital revenue requirements. and provide an example of the end effects calculation for each of these types of costs..

RESPONSE

End-Effects are not applied separately to production costs and revenue requirements as presumed in the discovery question.

The End-Effects referred to on page ES-3 relates to a standard practice where the value of long-lived assets are extrapolated to extend the analysis time period. Ignoring end-effects could bias resource planning decisions against capital intensive facilities that may not otherwise be selected in the later years of a 15-year IRP planning horizon.

End-effects are applied to net utility costs of the final year in the 30-year analysis horizon. The calculation for how end-effects are applied in the Preferred Plan can be reviewed in the attachment to discovery question KIUC 1-22.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-04 Page ES-3 states that Kentucky Power utilized Plexos to develop least cost portfolios. Please provide a Plexos Input Summary Report and provide the Plexos derived output reports for each of the 6 optimal resource plans cases. Provide this electronically, with all formulas intact.

RESPONSE

The Plexos model does not produce Input Summary Reports. See attachments KPCO_R_KIUC_1_04_KP_ConfidentialAttachment1 through KPCO_R_KIUC_1_04_KP_ConfidentialAttachment4 as well as Company's response to KIUC 1-01 for Plexos derived output reports.

KPCO_R_KIUC_1_04_KP_ConfidentialAttachment5 through KPCO_R_KIUC_1_04_KP_ConfidentialAttachment11 include the outputs of all other scenarios the Company modeled for this IRP.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-05** Concerning the MISO modeling in Plexos.
- a. Please describe in detail how the MISO modeling was performed in Plexos. Were all of the MISO loads and resources modeled or was MISO represented using transmission links and market profiles?
 - b. If MISO was represented using transmission links and market profiles, Provide all workpapers. electronically, with all formulae intact that were developed to create the MISO modeling inputs, including among other things, the derivation of the transmission capacity limits and the market price, as well as any other data modeled to represent MISO in Plexos.

RESPONSE

For this IRP, there is no MISO-specific modeling in Plexos. The Aurora model considers the entire North American interconnect in the development of the four commodity pricing scenarios used in the IRP. See Section 4.3, Fundamentals Input Modeling Parameters, in the IRP.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-06** Page ES-4 states “...although the evaluation of the optimization scenarios occurred over a 30- year study period, the revenue requirements throughout the 15-year planning period influenced the identification of the Preferred Plan.”
- a. Please provide a narrative explaining what the Company meant by the fact that revenue requirements over just 15-years influenced the identification of the Preferred Plan. Did the Company ignore costs beyond 15 years?
 - b. Provide all spreadsheets in which the final revenue requirements and net present values results that were derived for each of the 6 resource plans in which just 15 years were used.

RESPONSE

- a. The Company did not ignore costs beyond 15-years. The analysis of other scenarios helped the Company establish parameters for the modeling of the Preferred Plan which analyzed the costs over a 30-year planning horizon. This is further detailed in the response to and KPSC 1-59.
- b. See the Company's response to KIUC 1-04.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-07 See pg. ES-4 of the Company’s filed IRP, which states, “Kentucky Power’s Preferred Plan considered a resource mix that included attributes of the various Optimal Plans.” Provide the step by step process that the Company followed in reaching a decision going from the 6 optimal Plexos-derived resource plans to its resulting Preferred Plan. Provide all modeling analyses, memos, workpapers, electronically with all formulas attached that were used in this decisionmaking process.

RESPONSE

See the Company's response to KPSC 1-59.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-08 When solar resources were evaluated in Plexos, did the Company include any additional operating reserve requirements or add in integration costs? If not, why not, and if so, please provide all workpapers used to derive the assumptions modeled. Also, provide an explanation of the assumptions the Company used.

RESPONSE

Solar resource capacity values used in the Plexos modeling were based on the PJM Effective Load Carrying Capability (ELCC) for a single axis tracking system. The Company's operating reserve requirements were not adjusted with the addition of these solar resources.

The Company did not adjust its operating reserve requirements with the addition of solar resources in its plan since the ELCC methodology results in "a measure of the additional load the system can supply with the particular generator(s) of interest, without a change in reliability." (<https://www.pjm.com/-/media/committees-groups/committees/pc/20181126-special-session/20181126-item-02-wind-and-solar-effective-load-carrying-capability-elcc.ashx>)

The assumptions used in the modeling of solar resources can be found in the Company's response to KIUC 1-18.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-09** See Tables 1 and 2 containing the Company's commodity price forecasts.
- a. Please provide all analyses and workpapers, electronically with all formulae intact that were used to create the commodity prices in Tables 1 and 2, and extend out the data to 2049, the end of the production cost modeling period. Also supply the Company's underlying Henry Hub forecast.
 - b. Provide the same information as in the last question, but provide it in nominal dollars instead of 2018\$.

RESPONSE

- a. - b. See the attached files.
- KPCO_R_AG_1_09_Attachment1: 2016 values in nominal dollars.
 - KPCO_R_AG_1_09_Attachment2: 2016 values in real dollars.
 - KPCO_R_AG_1_09_Attachment3: 2019 values in nominal dollars.
 - KPCO_R_AG_1_09_Attachment4: 2019 values in real dollars.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-10 Please provide the workpapers, electronically with all formulae intact that were used to create Figures 14 and 15 on pages 58 and 59, respectively, concerning solar resources.

RESPONSE

See KPCO_R_KIUC_1_10_Attachment1 for the requested information.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-11 For every table or graph presented in Section 4, between pages 79 and 82, and on pages 93 , 98 , 99, 102, 103 , and 105 , please provide all workpapers used to create the tables and graphs. Please supply the information electronically with all formulas intact. If actual analyses had to be performed please do not just supply pasted values but provide the analyses themselves with live cells.

RESPONSE

For Section 4,

pages 79 - 82 and 99, please refer to the Company's response to KIUC 1-9.

page 98, please refer to attachment KPCO_R_KIUC_1_11_ConfidentialAttachment3

pages 102 & 103, please refer to attachment

KPCO_R_KIUC_1_11_ConfidentialAttachment1 and

KPCO_R_KIUC_1_11_ConfidentialAttachment4

page 105, please refer to attachment KPCO_R_KIUC_1_11_ConfidentialAttachment2

and KPCO_R_KIUC_1_11_ConfidentialAttachment5

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-12 At page 92, the Company discusses the screening process that was performed to reduce the number of resource options evaluated. Please provide the modeling analyses, electronically with all formulae intact that were performed to screen out alternatives for its later Plexos analysis.

RESPONSE

Please refer to KPCO_R_KIUC_1_12_ConfidentialAttachment1.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-13** On page ES-4, the Company discusses the use of STMP to meet customers' requirements.
- a. Please provide the range of options this would include. Note that on page 41 , the Company mentions that this could include a bilateral purchase or other means yet to be determined. Again, please provide additional information indicating what these options might look like.
 - b. Identify all STMP resources the Company has acquired over the last 10 years and describe the purchases.

RESPONSE

- a. For the purposes of this IRP, the Company would look to the bilateral market for additional short-term capacity. As stated in the IRP, "or other means yet to be determined" refers to alternatives that have not been identified.
- b. The Company has no instances of STMP resources to describe.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-14** See page 99, in which the Company stated, "due to the Company 's understanding of the availability of third-party capacity purchases it is appropriate to limit the availability of this resource through 2024."
- a. Explain how the Company came to have this understanding and provide any documents the Company relied on in reaching this conclusion.
 - b. Is it the Company's position that no third-party capacity purchases could be arranged for longer than through 2024, or that if they could be arranged the price would be significantly higher? Please explain further about the Company's understanding of the availability of these resources and if the Company believe the cost would be high, please provide an estimate of the cost to acquire those resources longer over a longer term such as through 2030.

RESPONSE

- a. Please refer to the Company's response to KPSC Staff 1-49. The Company came to this conclusion through verbal discussions with third party entities through which it could acquire bilateral PJM capacity if available.
- b. The Company has no price estimate for the hypothetical roughly eight year bilateral purchase of PJM capacity from a third party.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-15** See page 123 concerning STMP options.
- a. Please define what the Company means by "uncertainty in the PJM capacity market", which led the Company not to include STMP options beyond 2024.
 - b. If the Company were concerned about the uncertainty of whether market participants would be willing to add capacity to the market, wouldn't that imply that the Company's fundamental commodity price forecast on page 4 (Table 1) would have included significant growth in market prices over time. Instead the table shows capacity prices that are relatively flat over time. Please explain in detail.

RESPONSE

- a. "Uncertainty in the PJM capacity market" refers to regulatory uncertainty within the market. Because of the numerous FERC complaint regarding the PJM capacity construct, which among other things have created uncertainty regarding the timing of auctions, participants do not know what the non-performance penalty structure will be, what if any minimum offer prices apply to certain assets, among other potential market changes until the auction process for a delivery year is completed. Auctions for delivery years are generally completed 3 years in advance. Because of these uncertainties, potential providers of bilateral PJM capacity are unwilling to contract forward for a product that is yet undefined.
- b. The reported Capacity Values are a discrete output of the Aurora model used to project fundamental power prices. Capacity prices represent the non-energy revenue necessary for the least-dispatched units to remain economically viable and for the entire fleet to meet required reserve margins. The Capacity Values are bounded by an assumed minimum of \$25 and the cost of new entry (CONE), currently defined as the cost of a new combustion turbine. It would be reasonable to infer that low capacity prices mean that the model is long in generation and that new generation is not required to maintain reserve margins. Similarly, an increase in capacity prices would indicate that new generation is required to meet reserve margins. Consequently, the model-driven valuation of capacity value may not reflect the vagaries of the regulatory process affecting PJM capacity prices.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-16 See Figure 49 and 50 on page 141. Provide justification for the Company's increasing dependence on market energy purchases through 2024, while at the same time not allowing any market capacity purchases after 2024. What factors allow the Company to depend on market energy purchases after 2024 but not market capacity purchases?

RESPONSE

The Company is a full participant in PJM's hourly day ahead and real time energy markets and relies on them to serve the hourly internal load of the Company. The Company does not utilize PJM's capacity construct (reliability pricing model, or RPM) for serving its internal load's capacity obligation, rather it self-supplies its capacity obligation through a multiple Company fixed resource requirement (FRR) plan and thus is only eligible to contract bilaterally for unit specific PJM capacity that has not been committed in an RPM auction. The two products and market, PJM capacity and energy, are vastly different and cannot be compared to each other in terms of liquidity and availability.

Furthermore, the PJM hourly energy markets have been less prone to regulatory uncertainty during the Company's time as a PJM member than has PJM capacity construct.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-17 At page 101 , the Company states, "A limit on solar capacity additions is needed because as solar costs continue to decrease relative to the market price of energy there will come a point where the optimization model will theoretically pick an unlimited amount of solar resources." Please explain how it could be that an unlimited amount of solar resources could be picked.

RESPONSE

The objective function in the modeling is set to identify the least cost portfolio based on the available resources within the model. As the costs for solar decline, the relative LCOE for this resource would also decline such that without any constraints to the amount of solar available, the model would simply pick the least cost resource without regard to other practical limits such as those described in section 4.5.6.1.1.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-18 At page 56, the Company discussed the Bloomberg New Energy Finance's Renewable Energy Market Outlook forecast and then at page 101, the Company indicated it based its solar assumptions on that forecast. Please provide that forecast and supply all workpapers associated with Figure 29 containing Solar Resource Pricing. Ensure that all assumptions and calculations that resulted in the levelized cost of energy are supplied.

RESPONSE

Please refer to file KPCO_R_KIUC_1_11_ConfidentialAttachment1 and KPCO_R_KIUC_1_11_ConfidentialAttachment4 for workpapers associated with Figure 29.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-19** Regarding the new solar resources that the Company selected to add in 2023.
- a. Were those resources modeled as generic resources or were they modeled as new generating capacity that included "significant capital expenditures for transmission interconnection costs?" See page 111 where transmission costs are discussed.
 - b. Please provide an estimate of the complete transmission interconnection and upgrade costs that will be required to interconnect the solar projects in 2023. A high-level estimate would be fine if that is all the Company has available.
 - c. Provide a breakdown of all costs the Company expects to incur in adding the solar resources in 2023 .

RESPONSE

- a. The solar resources modeled in this IRP are a generic resource that includes an estimate of interconnection costs.
- b. For this IRP, the Company estimated an interconnection cost of \$100/kW and with the block size of 50.6MW the estimated interconnection cost for this proxy solar resource would be ~\$5 million.
- c. The Preferred Plan has 101 MW of Tier 1 Utility Scale solar in 2023.. The estimated cost for this resource is \$1,323/kW with a commercial operation date of 12/31/2022. Total Capital Expenditures is assumed to include interconnection costs (\$100/kW), land costs (\$120/kW) and equipment, engineering, procurement & construction (EPC), and Project Management services (\$1,103/kW).

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-20 Regarding Figure 41 , CPW companson, provide all workpapers used to create that Figure, electronically, with all formulae intact.

RESPONSE

Please refer to KPCO_R_KIUC_1_20_Attachment1.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-21 Explain how CO2 costs associated with the SMTP purchases were modeled and how CO2 costs were accounted for when purchases from the market or sales to the market were made. Please provide an example of how those costs were derived.

RESPONSE

As stated in Section 4.4.5 of the IRP, STMPs are one year purchases for capacity only. There are no energy attributes associated with STMPs and therefore STMPs have no CO2 related cost. However, CO2 policy may impact the cost of a capacity only resource in PJM as seen in Figure 24 of the Company's IRP by comparing the capacity price of the "Base" line to the price of the "No CO2" line. To the extent the Company purchases or sells energy in the PJM market, the hourly market price of energy would reflect the influence of CO2 costs. The extent to which CO2 influences market energy prices can be seen in comparing the Company's Base pricing scenario to the No CO2 pricing scenario in Figures 22 and 23 of the Company's IRP. The Company's derivation of CO2 costs are included in Section 4.3.1 of the IRP.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-22 Please provide all workpapers used to derive the bill impacts shown on page 133 and the Rate Impacts on page 134 (Figure 43 and Table 18, respectively), electronically with all formulae intact.

RESPONSE

Please refer to KPCO_R_KIUC_1_04_ConfidentialAttachment5.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-23 Provide the workpapers, electronically, with all formulae intact to derive the risk analysis factors and relationships in Table 19 on page 135, and Figure 44 on page 136. Also, why is the stochastic minimum for Short Term Capacity Prices \$0 throughout the study period in Figure 44?

RESPONSE

See KPCO_R_KIUC_1_23_Attachment1. The minimum short term capacity price in Figure 44 is \$1.00.

Witness: John F. Torpey

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DATA REQUEST

KIUC 1-24 Provide all tables and graphs included in Exhibit D, new generation technologies. Also provide all workpapers created to produce those tables and graphs and provide this electronically with all formulae intact. If actual analyses had to be performed please do not just supply pasted values but provide the analyses themselves with live cells, such as the LCOE calculations ..

RESPONSE

See the Company's response to KIUC 1-12. The request information is located in the 'IRP Exhibit' worksheet in KPCO_R_KIUC_1_12_ConfidentialAttachment1.

Witness: John F. Torpey

Kentucky Power Company
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DATA REQUEST

KIUC 1-25 Provide all tables and graphs included in Exhibits E 1. Also provide all workpapers created to produce those tables and graphs and provide this electronically with all formulae intact. If actual analyses had to be performed please do not just supply pasted values but provide the analyses themselves with live cells.

RESPONSE

For information related to Exhibit E1, see KPCO_R_KIUC_1_25_Attachment1 through KPCO_R_KIUC_1-25_Attachment6.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-26** The Company assumed that solar resources would have a 51 % capacity value.
- a. Provide the latest PJM solar capacity value assumption and reference documentation where its assumption may be found.
 - b. Provide all workpapers, assumptions, analyses, etc. , electronically, with all formulae intact that the Company developed in determining that 51 % would be appropriate to use for the capacity value of its solar resource options.
 - c. Provide any benchmarking evaluations the Company performed to validate the reasonableness of its 51 % assumption, such as by comparing its value to other utilities ' assumptions.

RESPONSE

- a. The Company referred to PJM's summary report "Effective Load Carrying Capability (ELCC) Analysis for Wind and Solar Resources" dated 2/7/2019 (also included in the Company's response to KPSC 1-09 as KPCO_R_KPSC_1_09_Attachment1) for the associated solar resource capacity value.
- b. The Company did not perform additional analysis related to verifying the proposed PJM ELCC value of 51.1%.
- c. The Company did not perform any external benchmarking evaluations for this IRP.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-27** The Company assumed that solar resources would have a capacity factor of 24% because that "is representative of a tracking solar resource located in Jackson, Kentucky.
- a. Provide all workpapers, assumptions, analyses, etc. , electronically, with all fomrnlae intact that the Company developed in determining that 24% would be representative of a tracking solar resource located in Jackson Kentucky.
 - b. How did the Company account for degradation in its Plexos modeling analysis? Please provide all assumptions that were made.
 - c. Provide any benchmarking evaluations the Company performed to validate the reasonableness of its 24% assumption, such as by comparing its value to other utilities' assumptions.

RESPONSE

- a. The Company ran a simulation in the National Renewable Energy Laboratory's System Advisor Model. KPCO_R_KIUC_1_27_Attachment1 is the output report from the simulation. KPCO_R_KIUC_1_27_Attachment2 is the 30 year shape for the simulation in Jackson, Kentucky.
- b. The Company's Plexos model accounted for solar degradation factor in the output shape of the solar resource, see KPCO_R_KIUC_1_27_Attachment2.
- c. The Company did not perform any other benchmarking evaluations.

Witness: John F. Torpey

System Advisor Model Report

Photovoltaic System
 Single Owner

63.0 DC MW Nameplate
 \$1.72/W Installed Cost

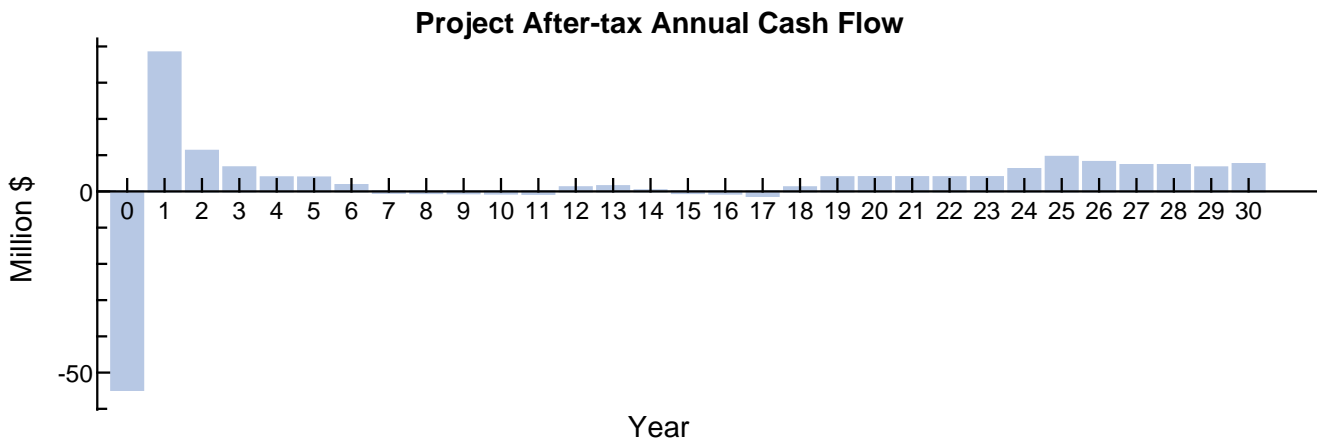
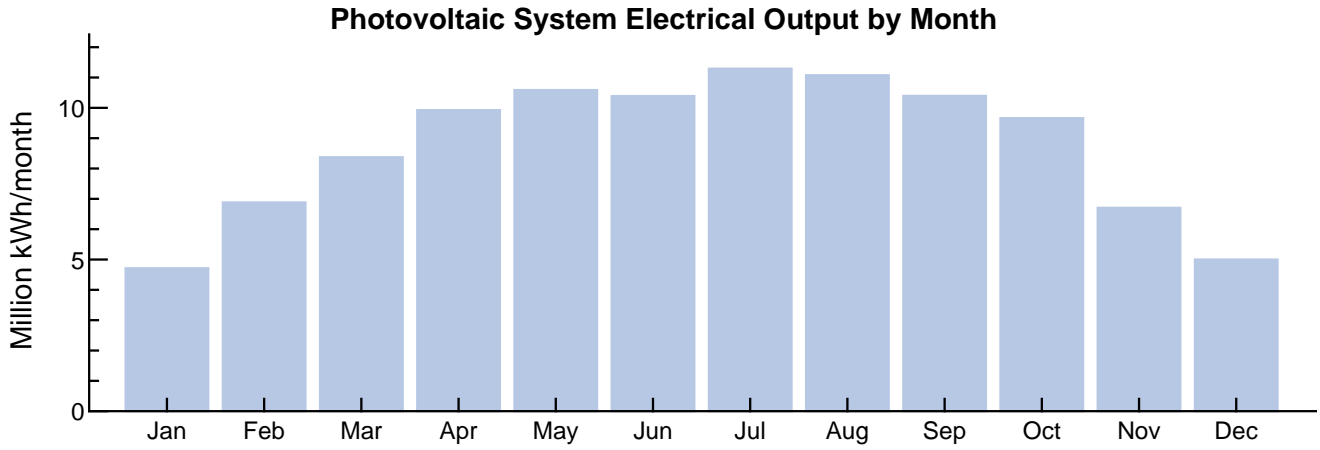
Jackson Julian Carroll Ap, KY
 37.58 N, -83.32 E GMT -5

Performance Model		Financial Model	
Modules		Project Costs	
First Solar FS-4117A-2		Total installed cost	\$108,358,888
Cell material	CdTe	Salvage value	\$0
Module area	0.72 m ²	Analysis Parameters	
Module capacity	117.48 DC Watts	Project life	30 years
Quantity	536,256	Inflation rate	2.5%
Total capacity	63 DC MW	Real discount rate	5.5%
Total area	386,104 m ²	Financial Targets and Constraints	
Inverters		Solution mode	Calculate PPA Price
SMA America: SC850CP-US (with ABB EcoDry Ultra trans		Target IRR	11% in Year 20
Unit capacity	888 AC kW	PPA escalation rate	1%/year
Input voltage	620 - 820 VDC DC V	Tax and Insurance Rates	
Quantity	57	Federal income tax	35 %/year
Total capacity	50.62 AC MW	State income tax	7 %/year
DC to AC Capacity Ratio	1.24	Sales tax (% of indirect cost basis)	5%
AC losses (%)	1.00	Insurance (% of installed cost)	0.5 %/year
Array		Property tax (% of assessed val.)	0 %/year
Strings	59,584	Incentives	
Modules per string	9	Federal ITC	30%
String voltage (DC V)	640.80	Depreciation	Depreciation allocations defined with no bonus depreciation
Tilt (deg from horizontal)	30.00	Results	
Azimuth (deg E of N)	180	Nominal LCOE	10.6 cents/kWh
Tracking	1 axis	PPA price (year one)	10.7 cents/kWh
Backtracking	no	Project IRR	11% in Year 20
Self shading	no	Project NPV	\$11,679,700
Rotation limit (deg)	45		
Shading	no		
Snow	no		
Soiling	yes		
DC losses (%)	4.44		
Performance Adjustments			
Availability/Curtailment	none		
Degradation	0.5 %/yr		
Hourly or custom losses	none		
Annual Results (in Year 1)			
GHI kWh/m ² /day	4.01		
POA kWh/m ² /day	5.00		
Net to inverter	110,843,000 DC kWh		
Net to grid	104,981,000 AC kWh		
Capacity factor	19.0		
Performance ratio	0.81		

Photovoltaic System
 Single Owner

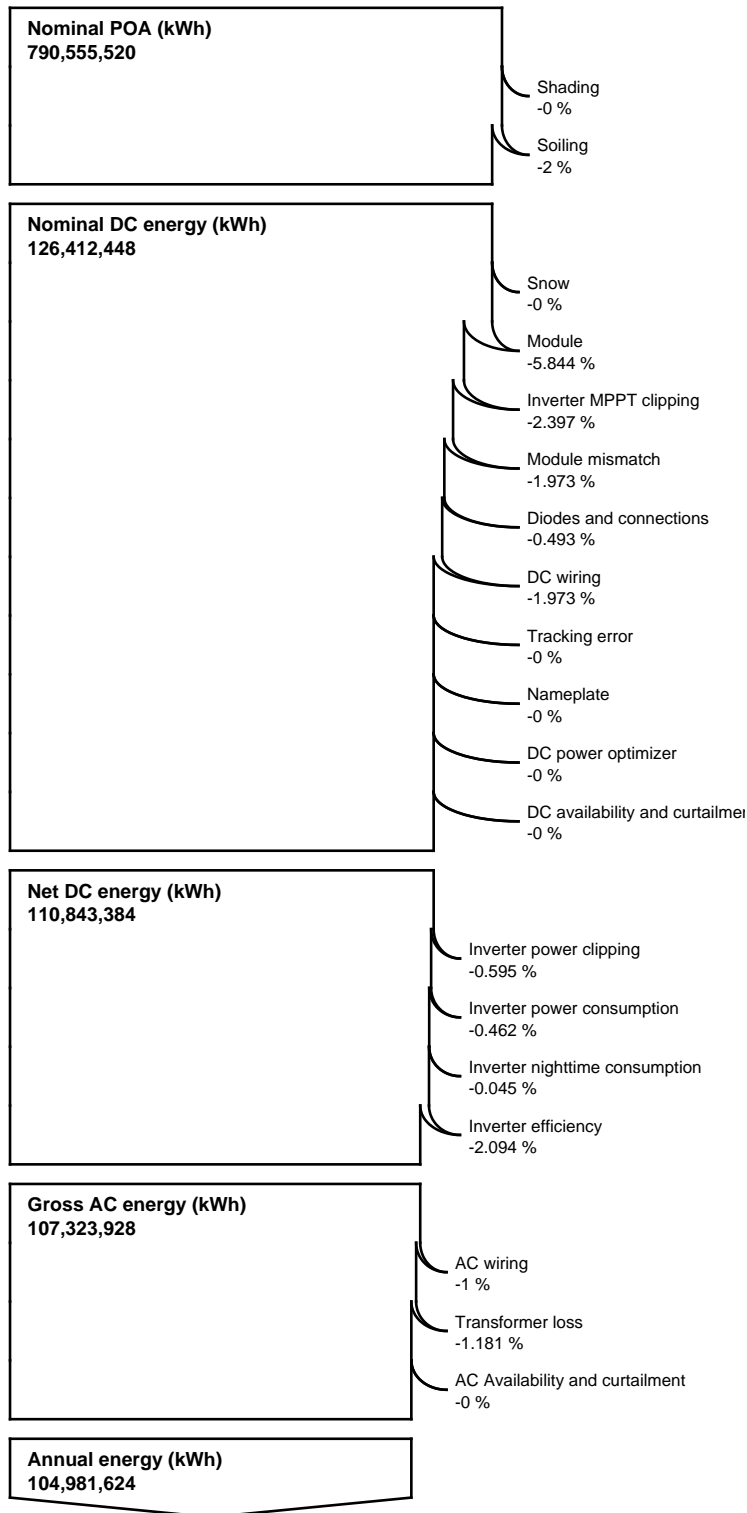
63.0 DC MW Nameplate
 \$1.72/W Installed Cost

Jackson Julian Carroll Ap, KY
 37.58 N, -83.32 E GMT -5



Photovoltaic System
 Single Owner

63.0 DC MW Nameplate
 \$1.72/W Installed Cost



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DATA REQUEST

- KIUC 1-28** At pg. 40 of the IRP Report, the Company states that its resources will begin to transition to the capacity performance rules starting in the 2019/20 planning year and will be held to stricter requirements than current capacity resources.
- a. What modeling assumptions in any of the Company's IRP analyses were impacted by the capacity performance rule changes.
 - b. Please provide a comparison of what the assumption would have been with and without the capacity performance rule changes.

RESPONSE

- a. For this IRP, none of the Company's IRP modeling assumptions were impacted by the capacity performance rule.
- b. See response to part a.

Witness: John F. Torpey

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DATA REQUEST

- KIUC 1-29** 1-29 Regarding more recent forecasts.
- a. If the Company has produced more recent Fundamentals Forecasts, please provide all analyses used to create the most recent version, and provide it electronically, with all formulae intact. Supply the forecasts in both nominal and real dollars.
 - b. If the Company has produced more recent load forecasts, please provide the most recent peak demand and energy forecasts.
 - c. If any other more recent forecasts have been developed, please identify such forecasts.

RESPONSE

- a. The Company has not produced a more recent Fundamentals Forecast.
- b. KPCO_R_KIUC_1_29b_Attachment1 provides the most recent energy and peak demand forecasts for the Company.
- c. The Company objects to this data request to the extent it requests information beyond that considered in the preparation of the Company's 2019 IRP, on the basis that the request is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. The Company's IRP is based on explicit assumptions made and long-term forecasts available at the time of the IRP's preparation. Subject to and without waiving these objections the Company further states that other than as noted in subsection (b) the Company has not made material updates to the forecasts relied upon in the preparation of the Company's 2019 IRP.

Witness: John F. Torpey

Kentucky Power Company
Annual Internal Energy Requirements and Growth Rates
2014-2034

	Residential Sales		Commercial Sales		Industrial Sales		Other Internal Sales		Losses		Total Internal Energy Requirements	
	GWH	% Growth	GWH	% Growth	GWH	% Growth	GWH	% Growth	GWH	% Growth	GWH	% Growth
Actual												
2015	2,192	--	1,323	--	2,693	--	100	--	445	--	6,754	--
2016	2,129	-2.9	1,315	-0.5	2,408	-10.6	95	-5.1	419	-5.7	6,367	-5.7
2017	1,933	-9.2	1,240	-5.7	2,407	-0.1	90	-5.3	390	-7.0	6,060	-4.8
2018	2,159	11.7	1,276	2.9	2,402	-0.2	96	6.0	413	5.8	6,346	4.7
2019	2,051	-5.0	1,251	-2.0	2,319	-3.5	91	-4.8	379	-8.2	6,091	-4.0
Forecast												
2020 (1)	1,960	-4.5	1,130	-9.7	1,983	-14.5	82	-9.9	378	-0.3	5,533	-9.2
2021	1,936	-1.2	1,130	0.0	2,034	2.6	83	1.7	402	6.3	5,586	1.0
2022	1,935	-0.1	1,175	4.0	2,121	4.3	86	3.0	379	-5.7	5,697	2.0
2023	1,912	-1.2	1,201	2.2	2,154	1.5	88	1.8	384	1.4	5,738	0.7
2024	1,891	-1.1	1,202	0.1	2,178	1.1	87	-0.1	384	-0.1	5,742	0.1
2025	1,872	-1.0	1,197	-0.4	2,177	-0.1	87	-0.5	380	-1.0	5,713	-0.5
2026	1,855	-0.9	1,204	0.6	2,177	0.0	87	-0.5	381	0.3	5,703	-0.2
2027	1,842	-0.7	1,200	-0.3	2,177	0.0	86	-0.5	379	-0.4	5,685	-0.3
2028	1,829	-0.7	1,196	-0.3	2,177	0.0	86	-0.4	381	0.3	5,669	-0.3
2029	1,819	-0.5	1,194	-0.2	2,179	0.1	85	-0.4	376	-1.3	5,654	-0.3
2030	1,807	-0.6	1,190	-0.4	2,180	0.0	85	-0.4	375	-0.2	5,637	-0.3
2031	1,799	-0.5	1,186	-0.3	2,179	0.0	85	-0.4	373	-0.4	5,623	-0.3
2032	1,790	-0.5	1,183	-0.3	2,177	-0.1	84	-0.4	376	0.5	5,610	-0.2
2033	1,783	-0.4	1,180	-0.2	2,177	0.0	84	-0.4	371	-1.3	5,595	-0.3
2034	1,775	-0.5	1,177	-0.3	2,176	-0.1	84	-0.4	372	0.4	5,583	-0.2
2035	1,769	-0.3	1,174	-0.2	2,175	0.0	83	-0.4	371	-0.4	5,572	-0.2
Average Annual Growth Rates:												
2015-2019		-1.6		-1.4		-3.7		-2.4		-3.9		-2.5
2021-2035		-0.6		0.3		0.5		0.0		-0.6		0.0

Note: (1) Data for 2020 are three months actual and nine months forecast.

Kentucky Power Company
 Seasonal and Annual Peak Demands, Energy Requirements and Load Factor
 2011-2031

	Summer Peak		Winter Peak (1)		Annual Peak, Energy and Load Factor						
	Date	MW	% Growth	Date	MW	% Growth	MW	% Growth	GWH	% Growth	Load Factor %
Actual											
2015	07/29/15	1,097	--	01/19/16	1,342	--	1,666	--	6,754	--	46.3
2016	08/09/16	1,044	-4.8	01/09/17	1,214	-9.5	1,342	-19.4	6,367	-5.7	54.2
2017	07/19/17	1,006	-3.7	01/02/18	1,446	19.1	1,217	-9.3	6,060	-4.8	56.7
2018	06/19/18	999	-0.7	01/31/19	1,297	-10.3	1,446	18.8	6,346	4.7	50.1
2019	08/19/19	993	-0.6	01/22/20	1,168	-9.9	1,297	-10.3	6,091	-4.0	53.6
Forecast											
2020 (2)		944	-4.9		1,209	3.5	1,168	-9.9	5,533	-9.2	54.1
2021		936	-0.8		1,237	2.3	1,209	3.5	5,586	1.0	52.7
2022		952	1.6		1,239	0.1	1,237	2.3	5,697	2.0	52.6
2023		957	0.5		1,229	-0.8	1,239	0.1	5,738	0.7	52.9
2024		954	-0.3		1,225	-0.4	1,229	-0.8	5,742	0.1	53.3
2025		952	-0.2		1,219	-0.5	1,225	-0.4	5,713	-0.5	53.3
2026		951	-0.1		1,213	-0.5	1,219	-0.5	5,703	-0.2	53.4
2027		948	-0.3		1,202	-0.9	1,213	-0.5	5,685	-0.3	53.5
2028		943	-0.5		1,200	-0.1	1,202	-0.9	5,669	-0.3	53.8
2029		943	0.0		1,194	-0.5	1,200	-0.1	5,654	-0.3	53.8
2030		940	-0.3		1,189	-0.5	1,194	-0.5	5,637	-0.3	53.9
2031		938	-0.2		1,179	-0.8	1,189	-0.5	5,623	-0.3	54.0
2032		934	-0.4		1,178	-0.1	1,179	-0.8	5,610	-0.2	54.3
2033		935	0.1		1,173	-0.5	1,178	-0.1	5,595	-0.3	54.2
2034		933	-0.2		1,169	-0.4	1,173	-0.5	5,583	-0.2	54.3
2035		931	-0.1		1,161	-0.6	1,169	-0.4	5,572	-0.2	54.4
Average Annual Growth Rates:											
2011-2015			-2.5			-3.4		-6.1		-2.5	
2017-2031			0.0			-0.5		-0.2		0.0	

Notes: (1) Actual winter peak for year may occur in the 4th quarter of that year or in the 1st quarter of the following year.
 (2) Data for 2020 are three months actual and nine months forecast.

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

KIUC 1-30 For the most recent 12-month period, please provide the Rockport Unit Power invoices.

RESPONSE

See KPCO_R_KIUC_1_30_Attachment1 for the requested information.

Witness: Brian K. West

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - May, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF May, 2019
 KWH FOR THE MONTH 43,858,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	361,582
Return on Other Capital	129,480
Total Return	491,062
Fuel	1,333,216
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	491,189
Depreciation Expense	566,152
Taxes Other Than Federal Income Tax	43,978
Federal Income Tax	(91,230)
TOTAL CURRENT UNIT POWER BILL	2,831,742

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(40,041)

TOTAL PRIOR MONTH'S ADJUSTMENTS (40,041)

TOTAL UNIT POWER BILL 2,791,701

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - June 21, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
TELEPHONE (614) 716-3724

INDIANA MICHIGAN POWER COMPANY
P. O. BOX 60
FORT WAYNE, IN 46801

ESTIMATE
19-May-20

UNIT 1
POWER BILL - - May, 2019

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF May, 2019
 KWH FOR THE MONTH

102,334,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	843,692
Return on Other Capital	302,120
Total Return	1,145,812
Fuel	3,110,838
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	1,146,108
Depreciation Expense	1,321,021
Taxes Other Than Federal Income Tax	102,617
Federal Income Tax	(212,871)
TOTAL UNIT POWER BILL	6,607,400

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	(93,429)

TOTAL PRIOR MONTH'S ADJUSTMENTS (93,429)

TOTAL UNIT POWER BILL 6,513,971

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - June 21, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

May, 2019

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,205,274	361,582	843,692
Return on Other Capital	431,600	129,480	302,120
Total Return	1,636,874	491,062	1,145,812
+ Fuel	4,444,054	1,333,216	3,110,838
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	1,637,297	491,189	1,146,108
+ Depreciation Expense	1,887,173	566,152	1,321,021
+ Taxes Other Than Federal Income Tax	146,595	43,978	102,617
+ Federal and State Income Tax	(304,101)	(91,230)	(212,871)
= Total Unit 1 Monthly Power Bill	9,439,142	2,831,742	6,607,400
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,636,874	491,062	1,145,812
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	0	0	0
- Unit 1 Interest Expense Deduction *	503,890	151,167	352,723
= Subtotal	1,132,984	339,895	793,089
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 1 Current Federal Income Tax	(304,101)	(91,230)	(212,871)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(304,101)	(91,230)	(212,871)
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	9,439,142	2,831,742	6,607,400
- Operation and Maintenance Expenses	6,081,351	1,824,405	4,256,946
- Depreciation Expense	1,887,173	566,152	1,321,021
- Taxes Other Than Federal Income Tax	146,595	43,978	102,617
- Unit 1 Interest Expense Deduction *	503,890	151,167	352,723
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	828,883	248,665	580,218
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	828,883	248,665	580,218
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(304,100)	(91,230)	(212,870)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(304,100)	(91,230)	(212,870)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 1 May, 2019</u>
1	<u>Operating Ratio:</u>	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,101,934,655
4	- Accumulated Depreciation	747,320,495
5	+ Materials & Supplies	44,959,643
6	+ Prepayments	133,059
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(14,246,378)
10	+ Unamortized Debt Expense (A/C 181)	10,666
11	+ Deferred ASH pond cost (A/C182.3)	2,362,869
12	- Asset Retirement Obligation (A/C 230)	19,153,376
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	45,666,313
15	- Accumulated Deferred ITC	7,715,825
16	Total Net In-Service Investment	----- 315,298,504
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	67,699,869
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 67,699,869
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	1,034,099
24	+ Other Deferred Debits (A/C 186) **	2,214,731
25	+ Fuel Inventory Over Allowed Level ****	0
26	Total Non-In-Service Investment - Other	----- 3,248,831
27	Total Investment (Lines 16+21+26)	----- 386,247,204 =====
28	Operating Ratio (Line 16/Line 27)	81.6313%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	17.5276%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	0.8411%
31	Total Investment	----- 100.0000% =====

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 1 May, 2019</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	888,428,510
4	- Accumulated Depreciation	517,741,465
5	+ Materials & Supplies	22,479,821
6	+ Prepayments	66,530
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(7,058,254)
10	+ Unamortized Debt Expense (A/C 181)	5,333
11	+ Deferred ASH pond cost (A/C182.3)	1,181,434
12	- Asset Retirement Obligation (A/C 230)	9,576,688
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	32,307,566
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	----- 345,477,655 -----
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	213,506,145
19	- Accumulated Depreciation	229,579,030
20	+ Materials & Supplies	22,479,821
21	+ Prepayments	66,530
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(7,188,125)
25	+ Unamortized Debt Expense (A/C 181)	5,333
26	+ Deferred ASH pond cost (A/C182.3)	1,181,434
27	- Asset Retirement Obligation (A/C 230)	9,576,688
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	13,358,747
30	- Accumulated Deferred ITC	7,715,825
31	Total Unit 2 Net In-Service Investment	----- (30,179,151) -----
32	Total Net In-Service Investment	----- 315,298,504 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	109.5700%
35	Unit 2 (Line 31 / Line 32)	-9.5700%
		----- 100.0000% =====

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 May, 2019</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	162,370,032
6	- Temporary Cash Investments	44,859,580
7	Net Capitalization	----- 312,510,452 =====
8	40% of Net Capitalization	125,004,181
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	125,004,181
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,266,705
13	x Operating Ratio	81.6313%
14	x Net In-Service Investment Ratio	109.5700%
15	= Subtotal	1,132,984
16	Excess of Line 5 Over Line 8	37,365,851
17	x Weighted Cost of Debt (Monthly Rate)	0.2163%
18	= Return on Equity over 40% of Capitalization	80,822
19	x Operating Ratio	81.6313%
20	x Net In-Service Investment Ratio	109.5700%
21	= Subtotal	72,290
22	Unit 1 Return on Equity (Line 15 + Line 21)	----- 1,205,274 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	518,763
25	+ Short-Term Debt Interest Expense (a/c 430)	60,797
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	97,021
28	= Net Interest Expense	----- 482,539
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	----- 482,539
31	x Operating Ratio	81.6313%
32	x Net In-Service Investment Ratio	109.5700%
33	= Unit 1 Return on Other Capital	431,600
	* Line 6 x Line 19 from Pg 6 of 18	=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 May, 2019</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Other Debt (Accts 132 thru 136 + 145) 44,859,580
5	Total Debt Balances (Prior Month Ending) 239,859,580
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 81.2976%
8	+ Short-Term Debt (STD bal/Total Debt bal) 0.0000%
9	+ Other Debt 18.7024%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 3.1323%
13	Short-Term Debt (avg Money Pool STD int rate) 2.7562%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.5465%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.5465%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

May, 2019

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	14,809,417
3	Fuel Stock Expenses - Undistributed (152)	401,227
4	Fuel Stock - Oil (151)	550,953
5	Plant Materials & Operating Supplies	6,718,224
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	----- 22,479,821 =====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	14,809,417
11	+ Equivalent Inventory re: Deferred Return	28,226,429,839
12	= Imputed Coal Inventory	----- 28,241,239,256 -----
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,724,065
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6177.1
16	= Tons Consumed per Hour	279.11
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6698.64
19	x 68 days	68
20	= 68 day Supply (Tons)	455,508
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	38.450
22	= 68 day Coal Inventory	----- 17,514,283 -----
23	Lesser of Imputed or Capped Coal Inventory	----- 17,514,283 -----
24	Imputed Inventory Minus Line 23	----- 28,223,724,973 =====
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	227,957,654
27	+ Current Month Return on Beginning Balance	1,855,983
28	+ Current Month Deferral	0
29	- Current Month Recovery	10,449
30	= Ending Balance **	----- 229,803,188 =====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 May, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 May, 2019</u>
1	500,502-508	Steam Power Generation - Operation	834,441
2	501	Fuel - Operation	4,444,054
3	510-515	Steam Power Generating - Maintenance	619,454
4		Total Steam Power Generation Expenses	5,897,949
5	555-557	Other Power Supply Expenses	5,937
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	159,935
16	935	Administrative and General Expenses - Maintenance	17,530
17		Total Administrative & General Exp.	177,465
18		Total Operation & Maintenance Expenses	6,081,351

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>May, 2019</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,793,708
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	316
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,847,314
	7 411.10	ARO Accretion Expense	39,859
	8	Total Depreciation, Amortization & Accretion Expenses	1,887,173

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>May, 2019</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	146,595
2	409.1	State Income Taxes	0
3		Total Taxes Other than FIT	----- 146,595 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 May, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>May, 2019</u>
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	755,529,737
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	132,898,773
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 888,428,510
12	105	Plant Held For Future Use	----- 0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	516,876,516
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	864,949
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 517,741,465
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	15,360,370
22	152	Fuel Stock Expenses - Undistributed	401,227
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,718,224
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 22,479,821
29	165	Prepayments	----- 66,530
30	186	Other Deferred Debits	----- 0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>May, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	14,237,427
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	10,650
9	234	Accounts Payable-Associated Company	(12,429,613)
10	236	Taxes Accrued	(8,063,533)
11	237	Interest Accrued	(577,378)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(235,806)
15		Total Other Working Capital	(7,058,254)
			=====
16	181	Unamortized Debt Expense	5,333
17	253	Other Deferred Credits	0

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 May, 2019</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	5,494,474
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	36,127,071
35	283	+Accumulated Deferred Income Taxes - Other	1,674,969
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 32,307,566 -----
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0 -----
40		Total Net In-Service Investment - Unit 1	----- 353,872,909 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

Pg 15 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>May, 2019</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	67,699,869
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 67,699,869 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	2,214,731
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 3,248,831 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 May, 2019</u>
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	44,758,045
21		Total Retained Earnings	44,758,045
22		Total Common Equity	162,370,032
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

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**UNIT 1
May, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	44,859,580
44		Total Temporary Cash Investments	----- 44,859,580 -----
45		NET CAPITALIZATION	----- 312,510,452 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

Page 18 of 18

<u>Line No.</u>		<u>UNIT 1</u> <u>May, 2019</u>
1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	-
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	162,370,032
6	- Capitalization Offsets	44,859,580

7	Total Capitalization Balances	312,510,452
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	62.3979%
10	+ Short-Term Debt (STD/Total Capital)	0.0000%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	51.9567%
13	- Capitalization Offsets	14.3546%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	3.1323%
17	Short-Term Debt (avg money pool STD int rate)	2.7562%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	2.5465%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	1.9545%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	6.3179%
26	- Capitalization Offsets	0.3655%

27	Total Rate of Return (Net of Tax)	7.9069%
		=====
28	Weighted Net Cost of Debt	1.5890%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	7.9973%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	9.5863%
		=====

A E P GENERATING COMPANY

**May, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

500	SUPERVISION AND ENGINEERING	189,862
501	FUEL	4,444,054
502	STEAM EXPENSES	419,852
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	90,773
506	MISC. STEAM POWER EXPENSES	133,953
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	5,278,495
510	MAINTENANCE SUPER. AND ENGINEERING	89,902
511	MAINTENANCE OF STRUCTURES	49,718
512	MAINTENANCE OF BOILER PLANT	361,897
513	MAINTENANCE OF ELECTRIC PLANT	72,005
514	MAINTENANCE OF MISC. STEAM PLANT	45,932
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	619,454
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	2,452
557	OTHER POWER SUPPLY EXPENSES	3,485
	TOTAL OTHER SUPPLY EXPENSES	5,937

IS FUEL IN BALANCE
 ON PAGE 2

AMOUNT MUST BE ZERO
 0

NO OF DAYS IN CURRENT MO	31
NO OF DAYS IN CURRENT YEAR	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	5
THIS BILLING IS FOR MONTH OF	May, 2019

A E P GENERATING COMPANY

**May, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	9,577
921	OFFICE SUPPLIES AND EXPENSES	6,012
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	77,046
924	PROPERTY INSURANCE	15,346
925	INJURIES AND DAMAGES	14,846
926	EMPLOYEE PENSIONS AND BENEFITS	34,812
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	2,229
931	RENTS	68
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	159,935
935	MAINTENANCE OF GENERAL PLANT	17,530
	TOTAL ADM & GEN EXPENSES	177,465
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	6,081,351
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	6,081,351
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - May, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF May, 2019
 KWH FOR THE MONTH

159,518,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(73,887)
Return on Other Capital	(26,459)
Total Return	(100,346)
Fuel	4,454,079
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	4,872,552
Depreciation Expense	2,239,762
Taxes Other Than Federal Income Tax	100,130
Federal Income Tax	18,642
TOTAL CURRENT UNIT POWER BILL	11,578,694

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(324,692)
TOTAL PRIOR MONTH'S ADJUSTMENTS	(324,692)

TOTAL UNIT POWER BILL

11,254,002

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - June 21, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
TELEPHONE (614) 716-3724

KENTUCKY POWER COMPANY
17TH ST. & CENTRAL AVE.
ASHLAND, KY 41101

ESTIMATE
19-May-20

UNIT 2
POWER BILL - - May, 2019

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)

ENERGY DELIVERED FOR THE MONTH OF May, 2019
 KWH FOR THE MONTH 68,365,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(31,666)
Return on Other Capital	(11,339)
Total Return	(43,005)
Fuel	1,908,891
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,088,237
Depreciation Expense	959,898
Taxes Other Than Federal Income Tax	42,913
Federal Income Tax	7,989

TOTAL CURRENT UNIT POWER BILL 4,962,298
 =====

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(139,153)

TOTAL PRIOR MONTH'S ADJUSTMENTS (139,153)

TOTAL UNIT POWER BILL 4,823,145
 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - June 21, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

May, 2019

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(105,553)	(31,666)	(73,887)
Return on Other Capital	(37,798)	(11,339)	(26,459)
Total Return	(143,351)	(43,005)	(100,346)
+ Fuel	6,362,970	1,908,891	4,454,079
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	6,960,789	2,088,237	4,872,552
+ Depreciation Expense	3,199,660	959,898	2,239,762
+ Taxes Other Than Federal Income Tax	143,043	42,913	100,130
+ Federal and State Income Tax	26,631	7,989	18,642
= Total Unit 2 Monthly Power Bill	16,540,992	4,962,298	11,578,694
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(143,351)	(43,005)	(100,346)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(44,129)	(13,239)	(30,890)
= Subtotal	(99,222)	(29,766)	(69,456)
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 2 Current Federal Income Tax	26,631	7,989	18,642
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	26,631	7,989	18,642
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	16,540,992	4,962,298	11,578,694
- Operation and Maintenance Expenses	13,323,759	3,997,128	9,326,631
- Depreciation Expense	3,199,660	959,898	2,239,762
- Taxes Other Than Federal Income Tax	143,043	42,913	100,130
- Unit 2 Interest Expense Deduction *	(44,129)	(13,239)	(30,890)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(72,591)	(21,777)	(50,814)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(72,591)	(21,777)	(50,814)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	26,633	7,990	18,643
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	26,633	7,990	18,643

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 2</u> <u>May, 2019</u>	
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,101,934,655
4	- Accumulated Depreciation	747,320,495
5	+ Materials & Supplies	44,959,643
6	+ Prepayments	133,059
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(14,246,378)
10	+ Unamortized Debt Expense (A/C 181)	10,666
11	+ Deferred ASH pond cost (A/C182.3)	2,362,869
12	- Asset Retirement Obligation (A/C 230)	19,153,376
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	45,666,313
15	- Accumulated Deferred ITC	7,715,825
16	Total Net In-Service Investment	----- 315,298,504
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	67,699,869
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 67,699,869
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	2,214,731
25	+ Fuel Inventory Over Allowed Level ****	0
26	Total Non-In-Service Investment - Other	----- 2,214,731
27	Total Investment (Lines 16+21+26)	----- 385,213,105 =====
28	Operating Ratio (Line 16/Line 27)	81.8504%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	17.5747%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	0.5749%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 2 May, 2019</u>
1	Net In-Service Investment Ratio:	
2	<u>Unit 2 Net In-Service Investment:</u>	
3	Electric Plant In-Service	213,506,145
4	- Accumulated Depreciation	229,579,030
5	+ Materials & Supplies	22,479,821
6	+ Prepayments	66,530
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(7,188,125)
10	+ Unamortized Debt Expense (A/C 181)	5,333
11	+ Deferred ASH pond cost (A/C182.3)	1,181,434
12	- Asset Retirement Obligation (A/C 230)	9,576,688
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	13,358,747
15	- Accumulated Deferred ITC	7,715,825
16	Total Unit 2 Net In-Service Investment	----- (30,179,151) -----
17	<u>Unit 1 Net In-Service Investment:</u>	
18	Electric Plant In-Service	888,428,510
19	- Accumulated Depreciation	517,741,465
20	+ Materials & Supplies	22,479,821
21	+ Prepayments	66,530
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(7,058,254)
25	+ Unamortized Debt Expense (A/C 181)	5,333
26	+ Deferred ASH pond cost (A/C182.3)	1,181,434
27	- Asset Retirement Obligation (A/C 230)	9,576,688
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	32,307,566
30	- Accumulated Deferred ITC	0
31	Total Unit 1 Net In-Service Investment	----- 345,477,655 -----
32	Total Net In-Service Investment	----- 315,298,504 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 2 (Line 16 / Line 32)	-9.5700%
35	Unit 1 (Line 31 / Line 32)	109.5700%
		----- 100.0000% =====
	* As Permitted By FERC	=====

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 May, 2019</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	162,370,032
6	- Temporary Cash Investments	44,859,580

7	Net Capitalization	312,510,452
		=====
8	40% of Net Capitalization	125,004,181
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	125,004,181
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,266,705
13	x Operating Ratio	81.8504%
14	x Net In-Service Investment Ratio	-9.5700%
15	= Subtotal	(99,222)
16	Excess of Line 5 Over Line 8	37,365,851
17	x Weighted Cost of Debt (Monthly Rate)	0.2163%
18	= Return on Equity over 40% of Capitalization	80,822
19	x Operating Ratio	81.8504%
20	x Net In-Service Investment Ratio	-9.5700%
21	= Subtotal	(6,331)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(105,553)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	518,763
25	+ Short-Term Debt Interest Expense (a/c 430)	60,797
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	97,021

28	= Net Interest Expense	482,539
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	482,539
31	x Operating Ratio	81.8504%
32	x Net In-Service Investment Ratio	-9.5700%
33	= Unit 2 Return on Other Capital	(37,798)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>		<u>UNIT 2 May, 2019</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	44,859,580

5	Total Debt Balances (Prior Month Ending)	239,859,580
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	81.2976%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	18.7024%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	3.1323%
13	Short-Term Debt (avg Money Pool STD int rate)	2.7562%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.5465%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.5465%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

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INCLUDE A/C 431 ON PG 5

UNIT 2

**Line
 No.**

May, 2019

1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	14,809,417
3	Fuel Stock Expenses - Undistributed (152)	401,227
4	Fuel Stock - Oil (151)	550,953
5	Plant Materials & Operating Supplies	6,718,224
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	----- 22,479,821 =====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	14,809,417
11	+ Equivalent Inventory re: Deferred Return	1,350,693,144
12	= Imputed Coal Inventory	----- 1,365,502,561 -----
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,662,054
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6383.4
16	= Tons Consumed per Hour	260.37
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6248.88
19	x 68 days	68
20	= 68 day Supply (Tons)	424,924
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	38.450
22	= 68 day Coal Inventory	----- 16,338,328 -----
23	Lesser of Imputed or Capped Coal Inventory	----- 16,338,328 -----
24	Imputed Inventory Minus Line 23	----- 1,349,164,233 =====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	10,908,246
27	+ Current Month Return on Beginning Balance	88,813
28	+ Current Month Deferral	5,931
29	- Current Month Recovery	0
30	= Ending Balance **	----- 11,002,990 =====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

Total Unit 2 Monthly Power Bill with Actual	10,178,022
Total Unit 2 Monthly Power Bill with 68 Day Capped	10,183,953
Difference	5,931

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 May, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 May, 2019</u>
1	500,502-508	Steam Power Generation - Operation	6,459,725
2	501	Fuel - Operation	6,362,970
3	510-515	Steam Power Generating - Maintenance	308,333
4		Total Steam Power Generation Expenses	13,131,029
5	555-557	Other Power Supply Expenses	5,937
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expennse - Maintenance	0
11		Total Distribution Expennse	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	169,262
16	935	Administrative and General Expenses - Maintenance	17,530
17		Total Administrative & General Exp.	186,792
18		Total Operation & Maintenance Expenses	13,323,759

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 May, 2019</u>
1	403	Depreciation Expense *	2,408,152
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	698,360
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,159,802 =
7	411.10	ARO Accretion Expense	39,859
8		Total Depreciation, Amortization & Accretion Expenses	3,199,660

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>May, 2019</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	143,043
2	409.1	State Income Taxes	0
3		Total Taxes Other than Federal Income Taxes	----- 143,043 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 May, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 May, 2019</u>
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	212,234,273
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	1,271,872
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 213,506,145
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	169,180,534
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	60,398,496
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 229,579,030
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	15,360,370
22	152	Fuel Stock Expenses - Undistributed	401,227
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,718,224
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 22,479,821
29	165	Prepayments	----- 66,530
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 May, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	14,559,252
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	10,650
9	234	Accounts Payable-Associated Company	(12,369,612)
10	236	Taxes Accrued	(5,683,109)
11	237	Interest Accrued	(577,378)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(3,127,927)
15		Total Other Working Capital	(7,188,125)
			=====
16	181	Unamortized Debt Expense	5,333
17	253	Other Deferred Credits	0

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 May, 2019</u>
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	71,010,484
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	82,665,100
35	283	+Accumulated Deferred Income Taxes - Other	1,704,130
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 13,358,747
37	255	+Accumulated Deferred Investment Tax Credits	7,715,825
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 7,715,825
40		Total Net In-Service Investment - Unit 2	----- (21,783,897) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 15 of 18
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>May, 2019</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	67,699,869
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 67,699,869 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	2,214,731
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 2,214,731 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 2
May, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	44,758,045
21		Total Retained Earnings	----- 44,758,045
22		Total Common Equity	----- 162,370,032
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

UNIT 2
May, 2019

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	44,859,580
44		Total Temporary Cash Investments	----- 44,859,580 -----
45		NET CAPITALIZATION	----- 312,510,452 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>May, 2019</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 162,370,032
6	- Capitalization Offsets 44,859,580
7	Total Capitalization Balances 312,510,452
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 62.3979%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 51.9567%
13	- Capitalization Offsets 14.3546%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 3.1323%
17	Short-Term Debt (avg money pool STD int rate) 2.7562%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.5465%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.9545%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 6.3179%
26	- Capitalization Offsets 0.3655%
27	Total Rate of Return (Net of Tax) 7.9069%
28	Weighted Net Cost of Debt 1.5890%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 7.9973%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 9.5863%

A E P GENERATING COMPANY		May, 2019
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	181,050
501	FUEL	6,362,970
502	STEAM EXPENSES	486,396
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	62,822
506	MISC. STEAM POWER EXPENSES	117,790
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	12,822,695
510	MAINTENANCE SUPER. AND ENGINEERING	89,704
511	MAINTENANCE OF STRUCTURES	9,643
512	MAINTENANCE OF BOILER PLANT	147,519
513	MAINTENANCE OF ELECTRIC PLANT	34,732
514	MAINTENANCE OF MISC. STEAM PLANT	26,735
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	308,333
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	2,452
557	OTHER POWER SUPPLY EXPENSES	3,485
	TOTAL OTHER SUPPLY EXPENSES	5,937

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO >	31
NO OF DAYS IN CURRENT YEAR >	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	5
THIS BILLING IS FOR MONTH OF	May, 2019

A E P GENERATING COMPANY

ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT

May, 2019
ESTIMATE

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	18,668
921	OFFICE SUPPLIES AND EXPENSES	6,033
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	77,261
924	PROPERTY INSURANCE	15,346
925	INJURIES AND DAMAGES	14,846
926	EMPLOYEE PENSIONS AND BENEFITS	34,812
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	2,229
931	RENTS	68
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	169,262
935	MAINTENANCE OF GENERAL PLANT	17,530
	TOTAL ADM & GEN EXPENSES	186,792
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	13,323,759
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	13,323,759
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - June, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF June, 2019
 KWH FOR THE MONTH

33,813,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	387,329
Return on Other Capital	219,792
Total Return	607,121
Fuel	993,302
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	490,125
Depreciation Expense	567,962
Taxes Other Than Federal Income Tax	18,621
Federal Income Tax	558,509

TOTAL CURRENT UNIT POWER BILL

3,233,015

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	8,984

TOTAL PRIOR MONTH'S ADJUSTMENTS

8,984

TOTAL UNIT POWER BILL

3,241,998

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - July 19, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA,COLUMBUS,OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - June, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF June, 2019
 KWH FOR THE MONTH

78,897,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	903,769
Return on Other Capital	512,847
Total Return	1,416,616
Fuel	2,317,704
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	1,143,627
Depreciation Expense	1,325,244
Taxes Other Than Federal Income Tax	43,449
Federal Income Tax	1,303,187
TOTAL UNIT POWER BILL	7,543,702

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	20,963

TOTAL PRIOR MONTH'S ADJUSTMENTS

20,963

TOTAL UNIT POWER BILL

7,564,664

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - July 19, 2019

Cc: Steve Hornyak - Columbus	Kurt C Cooper - Ft Wayne
Dave Hille - Ft. Wayne	Shannon Listebarger - Columbus
Mike Stout - Ft. Wayne	
Mike Giardina - Columbus	Kevin Amburgey-Columbus
Sid Lyons - Columbus	Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

June, 2019

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,291,098	387,329	903,769
Return on Other Capital	732,639	219,792	512,847
Total Return	2,023,737	607,121	1,416,616
+ Fuel	3,311,006	993,302	2,317,704
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	1,633,752	490,125	1,143,627
+ Depreciation Expense	1,893,206	567,962	1,325,244
+ Taxes Other Than Federal Income Tax	62,070	18,621	43,449
+ Federal and State Income Tax	(326,277)	(97,883)	(228,394)
= Total Unit 1 Monthly Power Bill	8,588,744	2,576,623	6,012,121
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	2,023,737	607,121	1,416,616
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	0	0	0
- Unit 1 Interest Expense Deduction *	808,133	242,440	565,693
= Subtotal	1,215,604	364,681	850,923
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 1 Current Federal Income Tax	(326,277)	(97,883)	(228,394)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(326,277)	(97,883)	(228,394)
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	8,588,744	2,576,623	6,012,121
- Operation and Maintenance Expenses	4,944,758	1,483,427	3,461,331
- Depreciation Expense	1,893,206	567,962	1,325,244
- Taxes Other Than Federal Income Tax	62,070	18,621	43,449
- Unit 1 Interest Expense Deduction *	808,133	242,440	565,693
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	889,327	266,798	622,529
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	889,327	266,798	622,529
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(326,276)	(97,883)	(228,393)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(326,276)	(97,883)	(228,393)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 June, 2019</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,102,363,467
4	- Accumulated Depreciation 752,220,309
5	+ Materials & Supplies 49,802,280
6	+ Prepayments 95,200
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (52,773,292)
10	+ Unamortized Debt Expense (A/C 181) 10,105
11	+ Deferred ASH pond cost (A/C182.3) 2,355,045
12	- Asset Retirement Obligation (A/C 230) 19,227,942
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 44,488,650
15	- Accumulated Deferred ITC 7,715,825
16	Total Net In-Service Investment 278,200,079
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 74,464,936
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 74,464,936
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 1,938,375
25	+ Fuel Inventory Over Allowed Level **** 0
26	Total Non-In-Service Investment - Other 2,972,474
27	Total Investment (Lines 16+21+26) 355,637,488
28	Operating Ratio (Line 16/Line 27) 78.2257%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 20.9384%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 0.8359%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 1 June, 2019</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	888,819,454
4	- Accumulated Depreciation	519,547,334
5	+ Materials & Supplies	24,901,140
6	+ Prepayments	47,600
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(9,469,483)
10	+ Unamortized Debt Expense (A/C 181)	5,052
11	+ Deferred ASH pond cost (A/C182.3)	1,177,522
12	- Asset Retirement Obligation (A/C 230)	9,613,971
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	31,718,734
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	344,601,246
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	213,544,012
19	- Accumulated Depreciation	232,672,974
20	+ Materials & Supplies	24,901,140
21	+ Prepayments	47,600
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(43,303,808)
25	+ Unamortized Debt Expense (A/C 181)	5,052
26	+ Deferred ASH pond cost (A/C182.3)	1,177,522
27	- Asset Retirement Obligation (A/C 230)	9,613,971
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	12,769,915
30	- Accumulated Deferred ITC	7,715,825
31	Total Unit 2 Net In-Service Investment	(66,401,167)
32	Total Net In-Service Investment	278,200,079
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	123.8700%
35	Unit 2 (Line 31 / Line 32)	-23.8700%
		100.0000%

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 June, 2019</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	163,735,350
6	- Temporary Cash Investments	49,231,883
7	Net Capitalization	----- 309,503,468 =====
8	40% of Net Capitalization	123,801,387
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	123,801,387
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,254,517
13	x Operating Ratio	78.2257%
14	x Net In-Service Investment Ratio	123.8700%
15	= Subtotal	1,215,604
16	Excess of Line 5 Over Line 8	39,933,963
17	x Weighted Cost of Debt (Monthly Rate)	0.1951%
18	= Return on Equity over 40% of Capitalization	77,911
19	x Operating Ratio	78.2257%
20	x Net In-Service Investment Ratio	123.8700%
21	= Subtotal	----- 75,494 =====
22	Unit 1 Return on Equity (Line 15 + Line 21)	1,291,098 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	476,516
25	+ Short-Term Debt Interest Expense (a/c 430)	375,631
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	96,055
28	= Net Interest Expense	----- 756,092
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	----- 756,092
31	x Operating Ratio	78.2257%
32	x Net In-Service Investment Ratio	123.8700%
33	= Unit 1 Return on Other Capital	----- 732,639 =====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 June, 2019</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Other Debt (Accts 132 thru 136 + 145) 49,231,883
5	Total Debt Balances (Prior Month Ending) 244,231,883
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 79.8422%
8	+ Short-Term Debt (STD bal/Total Debt bal) 0.0000%
9	+ Other Debt 20.1578%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 2.9731%
13	Short-Term Debt (avg Money Pool STD int rate) 2.7114%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.3738%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.3738%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

June, 2019

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	17,252,066
3	Fuel Stock Expenses - Undistributed (152)	408,043
4	Fuel Stock - Oil (151)	491,069
5	Plant Materials & Operating Supplies	6,749,962
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	----- 24,901,140 =====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	17,252,066
11	+ Equivalent Inventory re: Deferred Return	29,237,530,320
12	= Imputed Coal Inventory	----- 29,254,782,386 -----
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,724,065
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6177.1
16	= Tons Consumed per Hour	279.11
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6698.64
19	x 68 days	68
20	= 68 day Supply (Tons)	455,508
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	43.466
22	= 68 day Coal Inventory	----- 19,799,111 -----
23	Lesser of Imputed or Capped Coal Inventory	----- 19,799,111 -----
24	Imputed Inventory Minus Line 23	----- 29,234,983,275 =====
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	229,803,188
27	+ Current Month Return on Beginning Balance	1,820,532
28	+ Current Month Deferral	0
29	- Current Month Recovery	12,525
30	= Ending Balance **	----- 231,611,195 =====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 June, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 June, 2019</u>
1	500,502-508	Steam Power Generation - Operation	961,664
2	501	Fuel - Operation	3,311,006
3	510-515	Steam Power Generating - Maintenance	525,786
4		Total Steam Power Generation Expenses	4,798,456
5	555-557	Other Power Supply Expenses	5,511
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	120,682
16	935	Administrative and General Expenses - Maintenance	20,109
17		Total Administrative & General Exp.	140,791
18		Total Operation & Maintenance Expenses	4,944,758

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>June, 2019</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,799,911
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	0
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,853,201
	7 411.10	ARO Accretion Expense	40,005
	8	Total Depreciation, Amortization & Accretion Expenses	1,893,206

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 June, 2019</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	282,663
2	409.1	State Income Taxes	(220,593)
3		Total Taxes Other than FIT	----- 62,070 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 June, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 June, 2019</u>
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	756,018,965
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	132,800,489
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	888,819,454
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	518,682,069
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	865,265
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	519,547,334
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,743,135
22	152	Fuel Stock Expenses - Undistributed	408,043
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,749,962
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	24,901,140
29	165	Prepayments	47,600
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>June, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	12,340,661
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(52,575)
9	234	Accounts Payable-Associated Company	(14,131,547)
10	236	Taxes Accrued	(6,860,586)
11	237	Interest Accrued	(562,789)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(202,648)
15		Total Other Working Capital	(9,469,483)
			=====
16	181	Unamortized Debt Expense	5,052
17	253	Other Deferred Credits	0

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 14 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 June, 2019</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	5,494,474
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	35,538,239
35	283	+Accumulated Deferred Income Taxes - Other	1,674,969
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 31,718,734 -----
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0 -----
40		Total Net In-Service Investment - Unit 1	----- 353,037,694 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

Pg 15 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 June, 2019</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	74,464,936
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 74,464,936 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	1,938,375
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 2,972,474 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 June, 2019</u>
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	46,123,363
21		Total Retained Earnings	46,123,363
22		Total Common Equity	163,735,350
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 June, 2019</u>
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	49,231,883
44		Total Temporary Cash Investments	----- 49,231,883 -----
45		NET CAPITALIZATION	----- 309,503,468 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

Page 18 of 18

<u>Line No.</u>	<u>UNIT 1</u> <u>June, 2019</u>
1	<u>Capitalization Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) -
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 163,735,350
6	- Capitalization Offsets 49,231,883
7	Total Capitalization Balances 309,503,468
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 63.0041%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 52.9026%
13	- Capitalization Offsets 15.9067%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.9731%
17	Short-Term Debt (avg money pool STD int rate) 2.7114%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.3738%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.8732%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 6.4330%
26	- Capitalization Offsets 0.3776%
27	Total Rate of Return (Net of Tax) 7.9286%
28	Weighted Net Cost of Debt 1.4956%
29	+ Pre-Tax Common Equity (Line 25 / .79) 8.1430%
30	= Rate of Return (Pre-Tax) 9.6386%

A E P GENERATING COMPANY

**June, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

500	SUPERVISION AND ENGINEERING	458,819
501	FUEL	3,311,006
502	STEAM EXPENSES	302,341
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	65,454
506	MISC. STEAM POWER EXPENSES	135,050
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	4,272,670
510	MAINTENANCE SUPER. AND ENGINEERING	98,299
511	MAINTENANCE OF STRUCTURES	42,957
512	MAINTENANCE OF BOILER PLANT	275,568
513	MAINTENANCE OF ELECTRIC PLANT	53,971
514	MAINTENANCE OF MISC. STEAM PLANT	54,991
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	525,786
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	1,582
557	OTHER POWER SUPPLY EXPENSES	3,929
	TOTAL OTHER SUPPLY EXPENSES	5,511

IS FUEL IN BALANCE
 ON PAGE 2

AMOUNT MUST BE ZERO
 0

NO OF DAYS IN CURRENT MO	30
NO OF DAYS IN CURRENT YEAR	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	6
THIS BILLING IS FOR MONTH OF	June, 2019

A E P GENERATING COMPANY

**June, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	8,344
921	OFFICE SUPPLIES AND EXPENSES	8,268
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	(5,615)
924	PROPERTY INSURANCE	29,143
925	INJURIES AND DAMAGES	30,775
926	EMPLOYEE PENSIONS AND BENEFITS	38,743
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	10,953
931	RENTS	70
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	120,682
935	MAINTENANCE OF GENERAL PLANT	20,109
	TOTAL ADM & GEN EXPENSES	140,791
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	4,944,758
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	4,944,758
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - June, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF June, 2019
 KWH FOR THE MONTH

24,106,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(174,666)
Return on Other Capital	(99,115)
Total Return	----- (273,781)
Fuel	866,471
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	4,869,641
Depreciation Expense	2,252,123
Taxes Other Than Federal Income Tax	38,214
Federal Income Tax	(67,599)
TOTAL CURRENT UNIT POWER BILL	----- 7,678,943 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(210,550)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (210,550) -----

TOTAL UNIT POWER BILL

=====
7,468,393
=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - July 19, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - June, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)

ENERGY DELIVERED FOR THE MONTH OF June, 2019
 KWH FOR THE MONTH 10,331,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(74,857)
Return on Other Capital	(42,478)
Total Return	(117,335)
Fuel	371,345
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,086,989
Depreciation Expense	965,195
Taxes Other Than Federal Income Tax	16,377
Federal Income Tax	(28,971)
TOTAL CURRENT UNIT POWER BILL	3,290,975

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(90,235)
TOTAL PRIOR MONTH'S ADJUSTMENTS	(90,235)

TOTAL UNIT POWER BILL 3,200,739

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - July 19, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

June, 2019

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(249,523)	(74,857)	(174,666)
Return on Other Capital	(141,593)	(42,478)	(99,115)
Total Return	(391,116)	(117,335)	(273,781)
+ Fuel	1,237,816	371,345	866,471
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	6,956,630	2,086,989	4,869,641
+ Depreciation Expense	3,217,318	965,195	2,252,123
+ Taxes Other Than Federal Income Tax	54,591	16,377	38,214
+ Federal and State Income Tax	63,057	18,917	44,140
= Total Unit 2 Monthly Power Bill	11,129,546	3,338,863	7,790,683
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(391,116)	(117,335)	(273,781)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(156,183)	(46,855)	(109,328)
= Subtotal	(234,933)	(70,480)	(164,453)
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 2 Current Federal Income Tax	63,057	18,917	44,140
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	63,057	18,917	44,140
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	11,129,546	3,338,863	7,790,683
- Operation and Maintenance Expenses	8,194,446	2,458,334	5,736,112
- Depreciation Expense	3,217,318	965,195	2,252,123
- Taxes Other Than Federal Income Tax	54,591	16,377	38,214
- Unit 2 Interest Expense Deduction *	(156,183)	(46,855)	(109,328)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(171,876)	(51,563)	(120,313)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(171,876)	(51,563)	(120,313)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	63,057	18,917	44,140
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	63,057	18,917	44,140

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 2 June, 2019</u>
1	Operating Ratio:
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,102,363,467
4	- Accumulated Depreciation 752,220,309
5	+ Materials & Supplies 49,802,280
6	+ Prepayments 95,200
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (52,773,292)
10	+ Unamortized Debt Expense (A/C 181) 10,105
11	+ Deferred ASH pond cost (A/C182.3) 2,355,045
12	- Asset Retirement Obligation (A/C 230) 19,227,942
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 44,488,650
15	- Accumulated Deferred ITC 7,715,825
16	Total Net In-Service Investment 278,200,079
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 74,464,936
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 74,464,936
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 0
24	+ Other Deferred Debits (A/C 186) ** 1,938,375
25	+ Fuel Inventory Over Allowed Level **** 0
26	Total Non-In-Service Investment - Other 1,938,375
27	Total Investment (Lines 16+21+26) 354,603,389
28	Operating Ratio (Line 16/Line 27) 78.4539%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 20.9995%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 0.5466%
31	Total Investment 100.0000%
	* As Permitted By FERC
	** Excluding Amounts on Lines 7 and 8
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242
	**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 2 June, 2019</u>
1	Net In-Service Investment Ratio:	
2	<u>Unit 2 Net In-Service Investment:</u>	
3	Electric Plant In-Service	213,544,012
4	- Accumulated Depreciation	232,672,974
5	+ Materials & Supplies	24,901,140
6	+ Prepayments	47,600
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(43,303,808)
10	+ Unamortized Debt Expense (A/C 181)	5,052
11	+ Deferred ASH pond cost (A/C182.3)	1,177,522
12	- Asset Retirement Obligation (A/C 230)	9,613,971
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	12,769,915
15	- Accumulated Deferred ITC	7,715,825
16	Total Unit 2 Net In-Service Investment	----- (66,401,167) -----
17	<u>Unit 1 Net In-Service Investment:</u>	
18	Electric Plant In-Service	888,819,454
19	- Accumulated Depreciation	519,547,334
20	+ Materials & Supplies	24,901,140
21	+ Prepayments	47,600
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(9,469,483)
25	+ Unamortized Debt Expense (A/C 181)	5,052
26	+ Deferred ASH pond cost (A/C182.3)	1,177,522
27	- Asset Retirement Obligation (A/C 230)	9,613,971
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	31,718,734
30	- Accumulated Deferred ITC	0
31	Total Unit 1 Net In-Service Investment	----- 344,601,246 -----
32	Total Net In-Service Investment	----- 278,200,079 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 2 (Line 16 / Line 32)	-23.8700%
35	Unit 1 (Line 31 / Line 32)	123.8700%
		----- 100.0000% =====
	* As Permitted By FERC	=====

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 June, 2019</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	163,735,350
6	- Temporary Cash Investments	49,231,883

7	Net Capitalization	309,503,468
		=====
8	40% of Net Capitalization	123,801,387
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	123,801,387
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,254,517
13	x Operating Ratio	78.4539%
14	x Net In-Service Investment Ratio	-23.8700%
15	= Subtotal	(234,933)
16	Excess of Line 5 Over Line 8	39,933,963
17	x Weighted Cost of Debt (Monthly Rate)	0.1951%
18	= Return on Equity over 40% of Capitalization	77,911
19	x Operating Ratio	78.4539%
20	x Net In-Service Investment Ratio	-23.8700%
21	= Subtotal	(14,590)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(249,523)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	476,516
25	+ Short-Term Debt Interest Expense (a/c 430)	375,631
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	96,055

28	= Net Interest Expense	756,092
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	756,092
31	x Operating Ratio	78.4539%
32	x Net In-Service Investment Ratio	-23.8700%
33	= Unit 2 Return on Other Capital	(141,593)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>		<u>UNIT 2 June, 2019</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	49,231,883

5	Total Debt Balances (Prior Month Ending)	244,231,883
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	79.8422%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	20.1578%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.9731%
13	Short-Term Debt (avg Money Pool STD int rate)	2.7114%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.3738%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.3738%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

INCLUDE A/C 431 ON PG 5

UNIT 2

**Line
 No.**

June, 2019

1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,252,066
3	Fuel Stock Expenses - Undistributed (152)	408,043
4	Fuel Stock - Oil (151)	491,069
5	Plant Materials & Operating Supplies	6,749,962
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	24,901,140
		=====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	17,252,066
11	+ Equivalent Inventory re: Deferred Return	1,399,894,651
12	= Imputed Coal Inventory	1,417,146,717

13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,662,054
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6383.4
16	= Tons Consumed per Hour	260.37
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6248.88
19	x 68 days	68
20	= 68 day Supply (Tons)	424,924
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	43.466
22	= 68 day Coal Inventory	18,469,747

23	Lesser of Imputed or Capped Coal Inventory	18,469,747

24	Imputed Inventory Minus Line 23	1,398,676,970
		=====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	11,002,990
27	+ Current Month Return on Beginning Balance	87,167
28	+ Current Month Deferral	6,019
29	- Current Month Recovery	0
30	= Ending Balance **	11,096,176
		=====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

Total Unit 2 Monthly Power Bill with Actual	10,112,323
Total Unit 2 Monthly Power Bill with 68 Day Capped	10,118,342
Difference	6,019

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 June, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 June, 2019</u>
1	500,502-508	Steam Power Generation - Operation	6,354,283
2	501	Fuel - Operation	1,237,816
3	510-515	Steam Power Generating - Maintenance	447,843
4		Total Steam Power Generation Expenses	8,039,941
5	555-557	Other Power Supply Expenses	5,511
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expense - Maintenance	0
11		Total Distribution Expense	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	128,885
16	935	Administrative and General Expenses - Maintenance	20,109
17		Total Administrative & General Exp.	148,994
18		Total Operation & Maintenance Expenses	8,194,446

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

Pg 10 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 June, 2019</u>
1	403	Depreciation Expense *	2,416,275
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	707,748
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,177,313 =
7	411.10	ARO Accretion Expense	40,005
8		Total Depreciation, Amortization & Accretion Expenses	3,217,318

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 June, 2019</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	275,184
2	409.1	State Income Taxes	(220,593)
3		Total Taxes Other than Federal Income Taxes	----- 54,591 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 June, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

**UNIT 2
June, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	212,661,859
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	882,154
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 213,544,012
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	171,576,120
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	61,096,855
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 232,672,974
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,743,135
22	152	Fuel Stock Expenses - Undistributed	408,043
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,749,962
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 24,901,140
29	165	Prepayments	----- 47,600
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 June, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	12,662,486
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(52,575)
9	234	Accounts Payable-Associated Company	(14,071,545)
10	236	Taxes Accrued	(4,480,162)
11	237	Interest Accrued	(562,789)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(36,799,223)
15		Total Other Working Capital	(43,303,808)
			=====
16	181	Unamortized Debt Expense	5,052
17	253	Other Deferred Credits	0

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 June, 2019</u>
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	71,010,484
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	82,076,269
35	283	+Accumulated Deferred Income Taxes - Other	1,704,130
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 12,769,915 -----
37	255	+Accumulated Deferred Investment Tax Credits	7,715,825
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 7,715,825 -----
40		Total Net In-Service Investment - Unit 2	----- (57,964,718) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 15 of 18
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>June, 2019</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	74,464,936
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 74,464,936 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	1,938,375
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 1,938,375 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 2
June, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000 -----
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987 -----
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	46,123,363
21		Total Retained Earnings	----- 46,123,363 -----
22		Total Common Equity	----- 163,735,350 -----
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0 -----

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>June, 2019</u>
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	49,231,883
44		Total Temporary Cash Investments	----- 49,231,883 -----
45		NET CAPITALIZATION	----- 309,503,468 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>June, 2019</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 163,735,350
6	- Capitalization Offsets 49,231,883
7	Total Capitalization Balances 309,503,468
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 63.0041%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 52.9026%
13	- Capitalization Offsets 15.9067%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.9731%
17	Short-Term Debt (avg money pool STD int rate) 2.7114%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.3738%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.8732%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 6.4330%
26	- Capitalization Offsets 0.3776%
27	Total Rate of Return (Net of Tax) 7.9286%
28	Weighted Net Cost of Debt 1.4956%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 8.1430%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 9.6386%

A E P GENERATING COMPANY		June, 2019
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	456,536
501	FUEL	1,237,816
502	STEAM EXPENSES	127,966
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	38,343
506	MISC. STEAM POWER EXPENSES	119,780
507	RENTS	5,611,657
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	7,592,099
510	MAINTENANCE SUPER. AND ENGINEERING	94,229
511	MAINTENANCE OF STRUCTURES	15,332
512	MAINTENANCE OF BOILER PLANT	234,236
513	MAINTENANCE OF ELECTRIC PLANT	75,278
514	MAINTENANCE OF MISC. STEAM PLANT	28,766
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	447,843
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	1,582
557	OTHER POWER SUPPLY EXPENSES	3,929
	TOTAL OTHER SUPPLY EXPENSES	5,511

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO	>	30
NO OF DAYS IN CURRENT YEAR	>	365
CURRENT YEAR IS		2019
CURRENT MONTH IS		6
THIS BILLING IS FOR MONTH OF		June, 2019

A E P GENERATING COMPANY

**June, 2019
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	15,300
921	OFFICE SUPPLIES AND EXPENSES	8,285
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	(4,386)
924	PROPERTY INSURANCE	29,143
925	INJURIES AND DAMAGES	30,775
926	EMPLOYEE PENSIONS AND BENEFITS	38,743
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	10,953
931	RENTS	70
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	128,885
935	MAINTENANCE OF GENERAL PLANT	20,109
	TOTAL ADM & GEN EXPENSES	148,994
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	8,194,446
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	8,194,446
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - July, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF July, 2019
 KWH FOR THE MONTH 100,816,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	382,763
Return on Other Capital	125,401
Total Return	508,164
Fuel	2,678,142
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	518,061
Depreciation Expense	566,553
Taxes Other Than Federal Income Tax	45,217
Federal Income Tax	(98,876)
TOTAL CURRENT UNIT POWER BILL	4,214,636

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(293,740)
TOTAL PRIOR MONTH'S ADJUSTMENTS	(293,740)

TOTAL UNIT POWER BILL 3,920,896

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - August 31 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - July, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF July, 2019
 KWH FOR THE MONTH 235,237,000

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	893,112
Return on Other Capital	292,601
Total Return	----- 1,185,713
Fuel	6,248,997
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	1,208,809
Depreciation Expense	1,321,956
Taxes Other Than Federal Income Tax	105,508
Federal Income Tax	(230,710)
TOTAL UNIT POWER BILL	----- 9,834,149 -----
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	(685,393)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (685,393) -----
TOTAL UNIT POWER BILL	=====
	9,148,755
	=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - August 31 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

July, 2019

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,275,875	382,763	893,112
Return on Other Capital	418,002	125,401	292,601
Total Return	1,693,877	508,164	1,185,713
+ Fuel	8,927,139	2,678,142	6,248,997
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	1,726,870	518,061	1,208,809
+ Depreciation Expense	1,888,509	566,553	1,321,956
+ Taxes Other Than Federal Income Tax	150,725	45,217	105,508
+ Federal and State Income Tax	(329,586)	(98,876)	(230,710)
= Total Unit 1 Monthly Power Bill	14,048,784	4,214,636	9,834,149
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,693,877	508,164	1,185,713
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	0	0	0
- Unit 1 Interest Expense Deduction *	465,943	139,783	326,160
= Subtotal	1,227,934	368,381	859,553
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 1 Current Federal Income Tax	(329,586)	(98,876)	(230,710)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(329,586)	(98,876)	(230,710)
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	14,048,784	4,214,636	9,834,149
- Operation and Maintenance Expenses	10,654,009	3,196,203	7,457,806
- Depreciation Expense	1,888,509	566,553	1,321,956
- Taxes Other Than Federal Income Tax	150,725	45,217	105,508
- Unit 1 Interest Expense Deduction *	465,943	139,783	326,160
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	898,348	269,505	628,843
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	898,348	269,505	628,843
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(329,586)	(98,876)	(230,710)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(329,586)	(98,876)	(230,710)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 July, 2019</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,102,556,152
4	- Accumulated Depreciation 756,697,997
5	+ Materials & Supplies 49,563,186
6	+ Prepayments 57,340
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (3,637,652)
10	+ Unamortized Debt Expense (A/C 181) 43,972
11	+ Deferred ASH pond cost (A/C182.3) 2,347,221
12	- Asset Retirement Obligation (A/C 230) 19,301,016
13	- Other Deferred Credits (A/C 253) 294
14	- Accumulated Deferred FIT 50,580,875
15	- Accumulated Deferred ITC 6,894,999
16	Total Net In-Service Investment 317,455,038
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 78,234,290
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 78,234,290
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 1,685,888
25	+ Fuel Inventory Over Allowed Level **** 4,198,957
26	Total Non-In-Service Investment - Other 6,918,944
27	Total Investment (Lines 16+21+26) 402,608,272
28	Operating Ratio (Line 16/Line 27) 78.8496%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 19.4319%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 1.7185%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 1 July, 2019</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	888,954,443
4	- Accumulated Depreciation	521,048,019
5	+ Materials & Supplies	24,781,593
6	+ Prepayments	28,670
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(3,010,498)
10	+ Unamortized Debt Expense (A/C 181)	21,986
11	+ Deferred ASH pond cost (A/C182.3)	1,173,610
12	- Asset Retirement Obligation (A/C 230)	9,650,508
13	- Other Deferred Credits (A/C 253)	147
14	- Accumulated Deferred FIT	34,764,847
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	----- 346,486,284
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	213,601,709
19	- Accumulated Depreciation	235,649,978
20	+ Materials & Supplies	24,781,593
21	+ Prepayments	28,670
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(627,154)
25	+ Unamortized Debt Expense (A/C 181)	21,986
26	+ Deferred ASH pond cost (A/C182.3)	1,173,610
27	- Asset Retirement Obligation (A/C 230)	9,650,508
28	- Other Deferred Credits (A/C 253)	147
29	- Accumulated Deferred FIT	15,816,028
30	- Accumulated Deferred ITC	6,894,999
31	Total Unit 2 Net In-Service Investment	----- (29,031,246)
32	Total Net In-Service Investment	----- 317,455,038 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	109.1400%
35	Unit 2 (Line 31 / Line 32)	-9.1400%
		----- 100.0000% =====

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
 COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 July, 2019</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	165,582,743
6	- Temporary Cash Investments	8,551,744
7	Net Capitalization	----- 352,030,999 =====
8	40% of Net Capitalization	140,812,400
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	140,812,400
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,426,894
13	x Operating Ratio	78.8496%
14	x Net In-Service Investment Ratio	109.1400%
15	= Subtotal	1,227,934
16	Excess of Line 5 Over Line 8	24,770,343
17	x Weighted Cost of Debt (Monthly Rate)	0.2249%
18	= Return on Equity over 40% of Capitalization	55,709
19	x Operating Ratio	78.8496%
20	x Net In-Service Investment Ratio	109.1400%
21	= Subtotal	47,941
22	Unit 1 Return on Equity (Line 15 + Line 21)	----- 1,275,875 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	457,820
25	+ Short-Term Debt Interest Expense (a/c 430)	47,144
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	19,234
28	= Net Interest Expense	----- 485,730
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	----- 485,730
31	x Operating Ratio	78.8496%
32	x Net In-Service Investment Ratio	109.1400%
33	= Unit 1 Return on Other Capital	418,002
	* Line 6 x Line 19 from Pg 6 of 18	=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 July, 2019</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Other Debt (Accts 132 thru 136 + 145) 8,551,744
5	Total Debt Balances (Prior Month Ending) 203,551,744
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 95.7987%
8	+ Short-Term Debt (STD bal/Total Debt bal) 0.0000%
9	+ Other Debt 4.2013%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 2.7643%
13	Short-Term Debt (avg Money Pool STD int rate) 2.6341%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.6482%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.6482%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

July, 2019

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	17,252,066
3	Fuel Stock Expenses - Undistributed (152)	526,669
4	Fuel Stock - Oil (151)	290,399
5	Plant Materials & Operating Supplies	6,712,460
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	24,781,593
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	18,854,095
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	18,854,095
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,724,065
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6177.1
16	= Tons Consumed per Hour	279.11
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6698.64
19	x 68 days	68
20	= 68 day Supply (Tons)	455,508
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	38.259
22	= 68 day Coal Inventory	17,427,281
23	Lesser of Imputed or Capped Coal Inventory	17,427,281
24	Imputed Inventory Minus Line 23	1,426,814
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	231,611,195
27	+ Current Month Return on Beginning Balance	1,712,742
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	233,323,937

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 July, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 July, 2019</u>
1	500,502-508	Steam Power Generation - Operation	698,273
2	501	Fuel - Operation	8,927,139
3	510-515	Steam Power Generating - Maintenance	880,218
4		Total Steam Power Generation Expenses	----- 10,505,629
5	555-557	Other Power Supply Expenses	----- 15,123
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	----- 0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	----- 0
12	901-905	Customer Accounts Expenses - Operation	----- 0
13	906-910	Customer Service and Informational Expenses - Operation	----- 0
14	911-917	Sales Expenses - Operation	----- 0
15	920-933	Administrative and General Expenses - Operation	117,348
16	935	Administrative and General Expenses - Maintenance	----- 15,909
17		Total Administrative & General Exp.	----- 133,257
18		Total Operation & Maintenance Expenses	----- ===== 10,654,009

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

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			UNIT 1
			<u>July, 2019</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,795,070
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	0
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			<hr/>
	6	Total Depreciation Exp. & Amortization	1,848,361
			=====
	7 411.10	ARO Accretion Expense	40,149
	8	Total Depreciation, Amortization & Accretion Expenses	1,888,509

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 July, 2019</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	150,725
2	409.1	State Income Taxes	0
3		Total Taxes Other than FIT	----- 150,725 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 July, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

**UNIT 1
July, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	755,881,120
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	133,073,322
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	888,954,443
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	520,259,121
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	788,897
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	521,048,019
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,542,464
22	152	Fuel Stock Expenses - Undistributed	526,669
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,712,460
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	24,781,593
29	165	Prepayments	28,670
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>July, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	10,097,007
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(67,553)
9	234	Accounts Payable-Associated Company	(8,324,992)
10	236	Taxes Accrued	(3,763,114)
11	237	Interest Accrued	(707,503)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(244,344)
15		Total Other Working Capital	(3,010,498)
			=====
16	181	Unamortized Debt Expense	21,986
17	253	Other Deferred Credits	147

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 July, 2019</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	3,225,603
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	36,167,940
35	283	+Accumulated Deferred Income Taxes - Other	1,822,510
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 34,764,847
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0
40		Total Net In-Service Investment - Unit 1	----- 354,963,181 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

Pg 15 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 July, 2019</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	78,234,290
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 78,234,290 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	1,685,888
20	151.10	Fuel Inventory Over Allowed Level *	1,602,029
21		Total Non-In-Service Investment - Other	----- 4,322,016 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	1,602,029
		UNIT 2	0
		TOTAL	----- 1,602,029 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 July, 2019</u>
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	47,970,755
21		Total Retained Earnings	47,970,755
22		Total Common Equity	165,582,743
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

**UNIT 1
July, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	195,000,000
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	0
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	8,551,744
44		Total Temporary Cash Investments	8,551,744
45		NET CAPITALIZATION	352,030,999

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

Page 18 of 18

<u>Line No.</u>		<u>UNIT 1</u> <u>July, 2019</u>
1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	-
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	165,582,743
6	- Capitalization Offsets	8,551,744

7	Total Capitalization Balances	352,030,999
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	55.3928%
10	+ Short-Term Debt (STD/Total Capital)	0.0000%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	47.0364%
13	- Capitalization Offsets	2.4292%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	2.7643%
17	Short-Term Debt (avg money pool STD int rate)	2.6341%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	2.6482%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	1.5312%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	5.7196%
26	- Capitalization Offsets	0.0643%

27	Total Rate of Return (Net of Tax)	7.1865%
		=====
28	Weighted Net Cost of Debt	1.4669%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	7.2400%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	8.7069%
		=====

A E P GENERATING COMPANY

**July, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

500	SUPERVISION AND ENGINEERING	180,305
501	FUEL	8,927,139
502	STEAM EXPENSES	285,135
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	93,454
506	MISC. STEAM POWER EXPENSES	139,378
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	9,625,412
510	MAINTENANCE SUPER. AND ENGINEERING	141,714
511	MAINTENANCE OF STRUCTURES	56,333
512	MAINTENANCE OF BOILER PLANT	544,789
513	MAINTENANCE OF ELECTRIC PLANT	65,080
514	MAINTENANCE OF MISC. STEAM PLANT	72,302
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	880,218
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	4,145
557	OTHER POWER SUPPLY EXPENSES	10,978
	TOTAL OTHER SUPPLY EXPENSES	15,123

IS FUEL IN BALANCE
 ON PAGE 2

AMOUNT MUST BE ZERO
 0

NO OF DAYS IN CURRENT MO	31
NO OF DAYS IN CURRENT YEAR	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	7
THIS BILLING IS FOR MONTH OF	July, 2019

A E P GENERATING COMPANY

**July, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	9,656
921	OFFICE SUPPLIES AND EXPENSES	9,119
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	12,971
924	PROPERTY INSURANCE	38,672
925	INJURIES AND DAMAGES	9,832
926	EMPLOYEE PENSIONS AND BENEFITS	29,142
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	7,871
931	RENTS	85
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	117,348
935	MAINTENANCE OF GENERAL PLANT	15,909
	TOTAL ADM & GEN EXPENSES	133,257
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	10,654,009
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	10,654,009
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - July, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF July, 2019
 KWH FOR THE MONTH

209,085,461

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(74,987)
Return on Other Capital	(24,567)
Total Return	(99,554)
Fuel	5,753,446
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	4,856,959
Depreciation Expense	2,243,942
Taxes Other Than Federal Income Tax	103,021
Federal Income Tax	19,371

TOTAL CURRENT UNIT POWER BILL 12,871,060

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	685,393

TOTAL PRIOR MONTH'S ADJUSTMENTS 685,393

TOTAL UNIT POWER BILL 13,556,453

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - August 31 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
TELEPHONE (614) 716-3724

KENTUCKY POWER COMPANY
17TH ST. & CENTRAL AVE.
ASHLAND, KY 41101

ESTIMATE
19-May-20

UNIT 2
POWER BILL - - July, 2019

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)

ENERGY DELIVERED FOR THE MONTH OF July, 2019
 KWH FOR THE MONTH 89,608,027

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(32,137)
Return on Other Capital	(10,529)
Total Return	(42,666)
Fuel	2,465,763
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,081,554
Depreciation Expense	961,689
Taxes Other Than Federal Income Tax	44,152
Federal Income Tax	8,302

TOTAL CURRENT UNIT POWER BILL 5,516,169
 =====

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	293,740

TOTAL PRIOR MONTH'S ADJUSTMENTS 293,740

TOTAL UNIT POWER BILL 5,809,909
 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - August 31 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

July, 2019

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(107,124)	(32,137)	(74,987)
Return on Other Capital	(35,096)	(10,529)	(24,567)
Total Return	(142,220)	(42,666)	(99,554)
+ Fuel	8,219,209	2,465,763	5,753,446
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	6,938,513	2,081,554	4,856,959
+ Depreciation Expense	3,205,631	961,689	2,243,942
+ Taxes Other Than Federal Income Tax	147,173	44,152	103,021
+ Federal and State Income Tax	27,673	8,302	19,371
= Total Unit 2 Monthly Power Bill	18,387,229	5,516,169	12,871,060
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(142,220)	(42,666)	(99,554)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(39,121)	(11,736)	(27,385)
= Subtotal	(103,099)	(30,930)	(72,169)
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 2 Current Federal Income Tax	27,673	8,302	19,371
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	27,673	8,302	19,371
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	18,387,229	5,516,169	12,871,060
- Operation and Maintenance Expenses	15,157,722	4,547,317	10,610,405
- Depreciation Expense	3,205,631	961,689	2,243,942
- Taxes Other Than Federal Income Tax	147,173	44,152	103,021
- Unit 2 Interest Expense Deduction *	(39,121)	(11,736)	(27,385)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(75,426)	(22,628)	(52,798)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(75,426)	(22,628)	(52,798)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	27,673	8,302	19,371
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	27,673	8,302	19,371

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 2 July, 2019</u>
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,102,556,152
4	- Accumulated Depreciation	756,697,997
5	+ Materials & Supplies	49,563,186
6	+ Prepayments	57,340
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(3,637,652)
10	+ Unamortized Debt Expense (A/C 181)	43,972
11	+ Deferred ASH pond cost (A/C182.3)	2,347,221
12	- Asset Retirement Obligation (A/C 230)	19,301,016
13	- Other Deferred Credits (A/C 253)	294
14	- Accumulated Deferred FIT	50,580,875
15	- Accumulated Deferred ITC	6,894,999
16	Total Net In-Service Investment	----- 317,455,038
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	78,234,290
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 78,234,290
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	1,685,888
25	+ Fuel Inventory Over Allowed Level ****	4,198,957
26	Total Non-In-Service Investment - Other	----- 5,884,845
27	Total Investment (Lines 16+21+26)	----- 401,574,173 =====
28	Operating Ratio (Line 16/Line 27)	79.0527%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	19.4819%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	1.4654%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 2 July, 2019</u>	
1		Net In-Service Investment Ratio:
2		<u>Unit 2 Net In-Service Investment:</u>
3	213,601,709	Electric Plant In-Service
4	235,649,978	- Accumulated Depreciation
5	24,781,593	+ Materials & Supplies
6	28,670	+ Prepayments
7	0	+ Plant Held For Future Use (A/C 105) *
8	0	+ Other Deferred Debits (A/C 186) *
9	(627,154)	+ Other Working Capital **
10	21,986	+ Unamortized Debt Expense (A/C 181)
11	1,173,610	+ Deferred ASH pond cost (A/C182.3)
12	9,650,508	- Asset Retirement Obligation (A/C 230)
13	147	- Other Deferred Credits (A/C 253)
14	15,816,028	- Accumulated Deferred FIT
15	6,894,999	- Accumulated Deferred ITC
16	(29,031,246)	Total Unit 2 Net In-Service Investment
17		<u>Unit 1 Net In-Service Investment:</u>
18	888,954,443	Electric Plant In-Service
19	521,048,019	- Accumulated Depreciation
20	24,781,593	+ Materials & Supplies
21	28,670	+ Prepayments
22	0	+ Plant Held For Future Use (A/C 105) *
23	0	+ Other Deferred Debits (A/C 186) *
24	(3,010,498)	+ Other Working Capital **
25	21,986	+ Unamortized Debt Expense (A/C 181)
26	1,173,610	+ Deferred ASH pond cost (A/C182.3)
27	9,650,508	- Asset Retirement Obligation (A/C 230)
28	147	- Other Deferred Credits (A/C 253)
29	34,764,847	- Accumulated Deferred FIT
30	0	- Accumulated Deferred ITC
31	346,486,284	Total Unit 1 Net In-Service Investment
32	317,455,038	Total Net In-Service Investment
33		<u>Net In-Service Investment Ratio:</u>
34	-9.1400%	Unit 2 (Line 16 / Line 32)
35	109.1400%	Unit 1 (Line 31 / Line 32)
	100.0000%	
		* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>July, 2019</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	165,582,743
6	- Temporary Cash Investments	8,551,744

7	Net Capitalization	352,030,999
		=====
8	40% of Net Capitalization	140,812,400
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	140,812,400
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,426,894
13	x Operating Ratio	79.0527%
14	x Net In-Service Investment Ratio	-9.1400%
15	= Subtotal	(103,099)
16	Excess of Line 5 Over Line 8	24,770,343
17	x Weighted Cost of Debt (Monthly Rate)	0.2249%
18	= Return on Equity over 40% of Capitalization	55,709
19	x Operating Ratio	79.0527%
20	x Net In-Service Investment Ratio	-9.1400%
21	= Subtotal	(4,025)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(107,124)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	457,820
25	+ Short-Term Debt Interest Expense (a/c 430)	47,144
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	19,234

28	= Net Interest Expense	485,730
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	485,730
31	x Operating Ratio	79.0527%
32	x Net In-Service Investment Ratio	-9.1400%
33	= Unit 2 Return on Other Capital	(35,096)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>		<u>UNIT 2 July, 2019</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	8,551,744

5	Total Debt Balances (Prior Month Ending)	203,551,744
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	95.7987%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	4.2013%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.7643%
13	Short-Term Debt (avg Money Pool STD int rate)	2.6341%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.6482%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.6482%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

INCLUDE A/C 431 ON PG 5

UNIT 2

**Line
 No.**

July, 2019

1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,252,066
3	Fuel Stock Expenses - Undistributed (152)	526,669
4	Fuel Stock - Oil (151)	290,399
5	Plant Materials & Operating Supplies	6,712,460
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	24,781,593
		=====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	18,854,095
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	18,854,095

13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,662,054
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6383.4
16	= Tons Consumed per Hour	260.37
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6248.88
19	x 68 days	68
20	= 68 day Supply (Tons)	424,924
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	38.259
22	= 68 day Coal Inventory	16,257,167

23	Lesser of Imputed or Capped Coal Inventory	16,257,167

24	Imputed Inventory Minus Line 23	2,596,928
		=====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	11,096,176
27	+ Current Month Return on Beginning Balance	82,055
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	11,178,231
		=====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

Total Unit 2 Monthly Power Bill with Actual	0
Total Unit 2 Monthly Power Bill with 68 Day Capped	0
Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 July, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 July, 2019</u>
1	500,502-508	Steam Power Generation - Operation	6,293,896
2	501	Fuel - Operation	8,219,209
3	510-515	Steam Power Generating - Maintenance	495,669
4		Total Steam Power Generation Expenses	----- 15,008,775
5	555-557	Other Power Supply Expenses	----- 15,123
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	----- 0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expense - Maintenance	0
11		Total Distribution Expense	----- 0
12	901-905	Customer Accounts Expenses - Operation	----- 0
13	906-910	Customer Service and Informational Expenses - Operation	----- 0
14	911-917	Sales Expenses - Operation	----- 0
15	920-933	Administrative and General Expenses - Operation	117,915
16	935	Administrative and General Expenses - Maintenance	15,909
17		Total Administrative & General Exp.	----- 133,825
18		Total Operation & Maintenance Expenses	----- 15,157,722 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

Pg 10 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 July, 2019</u>
1	403	Depreciation Expense *	2,409,048
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	703,145
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,165,482 =
7	411.10	ARO Accretion Expense	40,149
8		Total Depreciation, Amortization & Accretion Expenses	3,205,631

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 July, 2019</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	147,173
2	409.1	State Income Taxes	0
3		Total Taxes Other than Federal Income Taxes	----- 147,173 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 July, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 July, 2019</u>
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	212,931,208
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	670,501
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 213,601,709
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	173,982,378
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	61,667,600
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 235,649,978
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,542,464
22	152	Fuel Stock Expenses - Undistributed	526,669
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,712,460
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 24,781,593
29	165	Prepayments	----- 28,670
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 July, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	10,418,832
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(67,553)
9	234	Accounts Payable-Associated Company	(8,264,991)
10	236	Taxes Accrued	(1,382,690)
11	237	Interest Accrued	(707,503)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(623,250)
15		Total Other Working Capital	(627,154)
			=====
16	181	Unamortized Debt Expense	21,986
17	253	Other Deferred Credits	147

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

Pg 14 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 July, 2019</u>
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	68,741,612
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	82,705,969
35	283	+Accumulated Deferred Income Taxes - Other	1,851,670
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 15,816,028
37	255	+Accumulated Deferred Investment Tax Credits	6,894,999
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 6,894,999
40		Total Net In-Service Investment - Unit 2	----- (20,554,348) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

Pg 15 of 18

UNIT 2
July, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	78,234,290
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 78,234,290 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	1,685,888
20	151.10	Fuel Inventory Over Allowed Level *	4,198,957
21		Total Non-In-Service Investment - Other	----- 5,884,845 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	1,602,029
		UNIT 2	2,596,928
		TOTAL	----- 4,198,957 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 2
July, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000 -----
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987 -----
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	47,970,755
21		Total Retained Earnings	----- 47,970,755 -----
22		Total Common Equity	----- 165,582,743 -----
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0 -----

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

**UNIT 2
July, 2019**

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	8,551,744
44		Total Temporary Cash Investments	----- 8,551,744 -----
45		NET CAPITALIZATION	----- 352,030,999 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>July, 2019</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 165,582,743
6	- Capitalization Offsets 8,551,744
7	Total Capitalization Balances 352,030,999
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 55.3928%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 47.0364%
13	- Capitalization Offsets 2.4292%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.7643%
17	Short-Term Debt (avg money pool STD int rate) 2.6341%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.6482%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.5312%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 5.7196%
26	- Capitalization Offsets 0.0643%
27	Total Rate of Return (Net of Tax) 7.1865%
28	Weighted Net Cost of Debt 1.4669%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 7.2400%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 8.7069%

A E P GENERATING COMPANY		July, 2019
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	180,485
501	FUEL	8,219,209
502	STEAM EXPENSES	279,960
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	78,160
506	MISC. STEAM POWER EXPENSES	143,624
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	14,513,105
510	MAINTENANCE SUPER. AND ENGINEERING	139,823
511	MAINTENANCE OF STRUCTURES	18,914
512	MAINTENANCE OF BOILER PLANT	244,538
513	MAINTENANCE OF ELECTRIC PLANT	50,864
514	MAINTENANCE OF MISC. STEAM PLANT	41,530
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	495,669
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	4,145
557	OTHER POWER SUPPLY EXPENSES	10,978
	TOTAL OTHER SUPPLY EXPENSES	15,123

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO >	31
NO OF DAYS IN CURRENT YEAR >	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	7
THIS BILLING IS FOR MONTH OF	July, 2019

A E P GENERATING COMPANY

ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT

July, 2019
ESTIMATE

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	8,944
921	OFFICE SUPPLIES AND EXPENSES	9,118
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	14,251
924	PROPERTY INSURANCE	38,672
925	INJURIES AND DAMAGES	9,832
926	EMPLOYEE PENSIONS AND BENEFITS	29,142
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	7,871
931	RENTS	85
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	117,915
935	MAINTENANCE OF GENERAL PLANT	15,909
	TOTAL ADM & GEN EXPENSES	133,825
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	15,157,722
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	15,157,722
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - August, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF August, 2019
 KWH FOR THE MONTH

90,068,151

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	418,927
Return on Other Capital	174,504
Total Return	593,431
Fuel	2,421,510
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	944,596
Depreciation Expense	566,585
Taxes Other Than Federal Income Tax	47,171
Federal Income Tax	(110,395)
TOTAL CURRENT UNIT POWER BILL	4,460,273

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	0

TOTAL PRIOR MONTH'S ADJUSTMENTS 0

TOTAL UNIT POWER BILL 4,460,273

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA,COLUMBUS,OH 43215
TELEPHONE (614) 716-3724

INDIANA MICHIGAN POWER COMPANY
P. O. BOX 60
FORT WAYNE, IN 46801

ESTIMATE
19-May-20

UNIT 1
POWER BILL - - August, 2019

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF August, 2019
 KWH FOR THE MONTH 210,158,968

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	977,496
Return on Other Capital	407,175
Total Return	----- 1,384,671
Fuel	5,650,191
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	2,204,058
Depreciation Expense	1,322,030
Taxes Other Than Federal Income Tax	110,065
Federal Income Tax	(257,589)
TOTAL UNIT POWER BILL	----- 10,407,301 -----
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	0
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- 0 -----
TOTAL UNIT POWER BILL	=====
	10,407,301
	=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - Payment Date
 Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

August, 2019

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,396,423	418,927	977,496
Return on Other Capital	581,679	174,504	407,175
Total Return	1,978,102	593,431	1,384,671
+ Fuel	8,071,701	2,421,510	5,650,191
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	3,148,654	944,596	2,204,058
+ Depreciation Expense	1,888,615	566,585	1,322,030
+ Taxes Other Than Federal Income Tax	157,236	47,171	110,065
+ Federal and State Income Tax	(367,984)	(110,395)	(257,589)
= Total Unit 1 Monthly Power Bill	14,867,574	4,460,273	10,407,301
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,978,102	593,431	1,384,671
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	0	0	0
- Unit 1 Interest Expense Deduction *	607,106	182,132	424,974
= Subtotal	1,370,996	411,299	959,697
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 1 Current Federal Income Tax	(367,984)	(110,395)	(257,589)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(367,984)	(110,395)	(257,589)
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	14,867,574	4,460,273	10,407,301
- Operation and Maintenance Expenses	11,220,355	3,366,106	7,854,249
- Depreciation Expense	1,888,615	566,585	1,322,030
- Taxes Other Than Federal Income Tax	157,236	47,171	110,065
- Unit 1 Interest Expense Deduction *	607,106	182,132	424,974
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	1,003,012	300,904	702,108
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	1,003,012	300,904	702,108
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(367,985)	(110,396)	(257,589)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(367,985)	(110,396)	(257,589)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

ITERATION
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**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 August, 2019</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,102,884,152
4	- Accumulated Depreciation 761,462,091
5	+ Materials & Supplies 50,016,473
6	+ Prepayments 587,095
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (295,420)
10	+ Unamortized Debt Expense (A/C 181) 106,701
11	+ Deferred ASH pond cost (A/C182.3) 2,339,397
12	- Asset Retirement Obligation (A/C 230) 19,376,758
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 50,580,875
15	- Accumulated Deferred ITC 6,894,999
16	Total Net In-Service Investment 317,323,675
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 84,941,978
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 84,941,978
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 1,437,669
25	+ Fuel Inventory Over Allowed Level **** 1,723,369
26	Total Non-In-Service Investment - Other 4,195,137
27	Total Investment (Lines 16+21+26) 406,460,790
28	Operating Ratio (Line 16/Line 27) 78.0699%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 20.8980%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 1.0321%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 1</u>	<u>August, 2019</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	889,073,150
4	- Accumulated Depreciation	522,649,928
5	+ Materials & Supplies	25,137,064
6	+ Prepayments	293,547
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(984,719)
10	+ Unamortized Debt Expense (A/C 181)	53,351
11	+ Deferred ASH pond cost (A/C182.3)	1,169,698
12	- Asset Retirement Obligation (A/C 230)	9,688,379
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	34,764,847
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	347,638,937
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	213,811,002
19	- Accumulated Depreciation	238,812,163
20	+ Materials & Supplies	24,879,409
21	+ Prepayments	293,547
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	689,299
25	+ Unamortized Debt Expense (A/C 181)	53,351
26	+ Deferred ASH pond cost (A/C182.3)	1,169,698
27	- Asset Retirement Obligation (A/C 230)	9,688,379
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	15,816,028
30	- Accumulated Deferred ITC	6,894,999
31	Total Unit 2 Net In-Service Investment	(30,315,262)
32	Total Net In-Service Investment	317,323,675
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	109.5500%
35	Unit 2 (Line 31 / Line 32)	-9.5500%
		100.0000%

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
 COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 August, 2019</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	166,992,272
6	- Temporary Cash Investments	(33,492,279)
7	Net Capitalization	----- 395,484,551 =====
8	40% of Net Capitalization	158,193,820
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	158,193,820
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,603,025
13	x Operating Ratio	78.0699%
14	x Net In-Service Investment Ratio	109.5500%
15	= Subtotal	1,370,996
16	Excess of Line 5 Over Line 8	8,798,452
17	x Weighted Cost of Debt (Monthly Rate)	0.3379%
18	= Return on Equity over 40% of Capitalization	29,730
19	x Operating Ratio	78.0699%
20	x Net In-Service Investment Ratio	109.5500%
21	= Subtotal	----- 25,427 =====
22	Unit 1 Return on Equity (Line 15 + Line 21)	1,396,423 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	545,755
25	+ Short-Term Debt Interest Expense (a/c 430)	21,192
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	(113,176)
28	= Net Interest Expense	----- 680,123
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	----- 680,123
31	x Operating Ratio	78.0699%
32	x Net In-Service Investment Ratio	109.5500%
33	= Unit 1 Return on Other Capital	----- 581,679 =====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 August, 2019</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Other Debt (Accts 132 thru 136 + 145) (33,492,279)
5	Total Debt Balances (Prior Month Ending) 161,507,721
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 120.7373%
8	+ Short-Term Debt (STD bal/Total Debt bal) 0.0000%
9	+ Other Debt -20.7373%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 3.2953%
13	Short-Term Debt (avg Money Pool STD int rate) 2.4917%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 3.9787%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 3.9787%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

August, 2019

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	17,509,721
3	Fuel Stock Expenses - Undistributed (152)	419,179
4	Fuel Stock - Oil (151)	440,846
5	Plant Materials & Operating Supplies	6,767,318
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	----- 25,137,064 =====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	17,509,721
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	----- 17,509,721 -----
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,724,065
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6177.1
16	= Tons Consumed per Hour	279.11
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6698.64
19	x 68 days	68
20	= 68 day Supply (Tons)	455,508
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	37.151
22	= 68 day Coal Inventory	----- 16,922,578 -----
23	Lesser of Imputed or Capped Coal Inventory	----- 16,922,578 -----
24	Imputed Inventory Minus Line 23	----- 587,143 =====
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	Deferred Inventory
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	6,206,892
29	- Current Month Recovery	0
30	= Ending Balance **	----- 6,206,892 =====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 August, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 August, 2019</u>
1	500,502-508	Steam Power Generation - Operation	2,571,259
2	501	Fuel - Operation	8,071,701
3	510-515	Steam Power Generating - Maintenance	443,429
4		Total Steam Power Generation Expenses	11,086,389
5	555-557	Other Power Supply Expenses	(12,240)
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	131,652
16	935	Administrative and General Expenses - Maintenance	14,553
17		Total Administrative & General Exp.	146,205
18		Total Operation & Maintenance Expenses	11,220,355

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>August, 2019</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,795,027
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	0
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,848,318
	7 411.10	ARO Accretion Expense	40,298
	8	Total Depreciation, Amortization & Accretion Expenses	1,888,615

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 August, 2019</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	157,236
2	409.1	State Income Taxes	0
3		Total Taxes Other than FIT	----- 157,236 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 August, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 August, 2019</u>
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	755,820,847
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	133,252,303
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	889,073,150
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	521,861,031
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	788,897
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	522,649,928
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,950,567
22	152	Fuel Stock Expenses - Undistributed	419,179
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,767,318
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	25,137,064
29	165	Prepayments	293,547
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>August, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	17,039,600
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(58,406)
9	234	Accounts Payable-Associated Company	(13,443,961)
10	236	Taxes Accrued	(3,626,946)
11	237	Interest Accrued	(696,136)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(198,870)
15		Total Other Working Capital	(984,719)
			=====
16	181	Unamortized Debt Expense	53,351
17	253	Other Deferred Credits	0

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 August, 2019</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	3,225,603
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	36,167,940
35	283	+Accumulated Deferred Income Taxes - Other	1,822,510
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 34,764,847
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0
40		Total Net In-Service Investment - Unit 1	----- 356,157,618 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

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**UNIT 1
August, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	84,941,978
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 84,941,978 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	1,437,669
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 2,471,768 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 1
August, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	49,380,284
21		Total Retained Earnings	49,380,284
22		Total Common Equity	166,992,272
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

UNIT 1
August, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	(33,492,279)
44		Total Temporary Cash Investments	----- (33,492,279) -----
45		NET CAPITALIZATION	----- 395,484,551 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

Page 18 of 18

<u>Line No.</u>	<u>UNIT 1</u> <u>August, 2019</u>
1	<u>Capitalization Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) -
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 166,992,272
6	- Capitalization Offsets (33,492,279)
7	Total Capitalization Balances 395,484,551
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 49.3066%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 42.2247%
13	- Capitalization Offsets -8.4687%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 3.2953%
17	Short-Term Debt (avg money pool STD int rate) 2.4917%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 3.9787%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.6248%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 5.1345%
26	- Capitalization Offsets -0.3369%
27	Total Rate of Return (Net of Tax) 7.0962%
28	Weighted Net Cost of Debt 1.9617%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 6.4994%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 8.4611%

A E P GENERATING COMPANY

**August, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

500	SUPERVISION AND ENGINEERING	186,512
501	FUEL	8,071,701
502	STEAM EXPENSES	427,862
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	29,289
506	MISC. STEAM POWER EXPENSES	1,927,595
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	10,642,960
510	MAINTENANCE SUPER. AND ENGINEERING	129,742
511	MAINTENANCE OF STRUCTURES	153,843
512	MAINTENANCE OF BOILER PLANT	21,737
513	MAINTENANCE OF ELECTRIC PLANT	42,632
514	MAINTENANCE OF MISC. STEAM PLANT	95,475
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	443,429
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	(4,866)
557	OTHER POWER SUPPLY EXPENSES	(7,373)
	TOTAL OTHER SUPPLY EXPENSES	(12,240)

IS FUEL IN BALANCE
 ON PAGE 2

AMOUNT MUST BE ZERO
 0

NO OF DAYS IN CURRENT MO	31
NO OF DAYS IN CURRENT YEAR	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	8
THIS BILLING IS FOR MONTH OF	August, 2019

A E P GENERATING COMPANY

**August, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	19,134
921	OFFICE SUPPLIES AND EXPENSES	10,308
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	6,404
924	PROPERTY INSURANCE	31,947
925	INJURIES AND DAMAGES	7,288
926	EMPLOYEE PENSIONS AND BENEFITS	53,240
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	3,239
931	RENTS	93
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	131,652
935	MAINTENANCE OF GENERAL PLANT	14,553
	TOTAL ADM & GEN EXPENSES	146,205
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	11,220,355
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	11,220,355
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - August, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF August, 2019
 KWH FOR THE MONTH

13,286,497

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(85,430)
Return on Other Capital	(35,586)
Total Return	(121,016)
Fuel	493,003
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	6,045,238
Depreciation Expense	2,247,954
Taxes Other Than Federal Income Tax	107,579
Federal Income Tax	22,513
TOTAL CURRENT UNIT POWER BILL	8,789,147

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	0
TOTAL PRIOR MONTH'S ADJUSTMENTS	0

TOTAL UNIT POWER BILL

8,789,147

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - August, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF August, 2019
 KWH FOR THE MONTH

5,694,216

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(36,613)
Return on Other Capital	(15,251)
Total Return	(51,864)
Fuel	211,287
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,590,816
Depreciation Expense	963,409
Taxes Other Than Federal Income Tax	46,105
Federal Income Tax	9,648

TOTAL CURRENT UNIT POWER BILL 3,766,776
 =====

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	0

TOTAL PRIOR MONTH'S ADJUSTMENTS 0

TOTAL UNIT POWER BILL 3,766,776
 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

August, 2019

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(122,043)	(36,613)	(85,430)
Return on Other Capital	(50,837)	(15,251)	(35,586)
Total Return	(172,880)	(51,864)	(121,016)
+ Fuel	704,290	211,287	493,003
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	8,636,054	2,590,816	6,045,238
+ Depreciation Expense	3,211,363	963,409	2,247,954
+ Taxes Other Than Federal Income Tax	153,684	46,105	107,579
+ Federal and State Income Tax	32,161	9,648	22,513
= Total Unit 2 Monthly Power Bill	12,555,923	3,766,776	8,789,147
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(172,880)	(51,864)	(121,016)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(53,059)	(15,918)	(37,141)
= Subtotal	(119,821)	(35,946)	(83,875)
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 2 Current Federal Income Tax	32,161	9,648	22,513
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	32,161	9,648	22,513
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	12,555,923	3,766,776	8,789,147
- Operation and Maintenance Expenses	9,340,345	2,802,103	6,538,242
- Depreciation Expense	3,211,363	963,409	2,247,954
- Taxes Other Than Federal Income Tax	153,684	46,105	107,579
- Unit 2 Interest Expense Deduction *	(53,059)	(15,918)	(37,141)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(87,660)	(26,298)	(61,362)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(87,660)	(26,298)	(61,362)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	32,160	9,648	22,512
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	32,160	9,648	22,512

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 2 August, 2019</u>
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,102,884,152
4	- Accumulated Depreciation	761,462,091
5	+ Materials & Supplies	50,016,473
6	+ Prepayments	587,095
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(295,420)
10	+ Unamortized Debt Expense (A/C 181)	106,701
11	+ Deferred ASH pond cost (A/C182.3)	2,339,397
12	- Asset Retirement Obligation (A/C 230)	19,376,758
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	50,580,875
15	- Accumulated Deferred ITC	6,894,999
16	Total Net In-Service Investment	----- 317,323,675 -----
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	84,941,978
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 84,941,978 -----
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	1,437,669
25	+ Fuel Inventory Over Allowed Level ****	1,723,369
26	Total Non-In-Service Investment - Other	----- 3,161,038 -----
27	Total Investment (Lines 16+21+26)	----- 405,426,691 =====
28	Operating Ratio (Line 16/Line 27)	78.2691%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	20.9513%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	0.7796%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 2 August, 2019</u>
1	Net In-Service Investment Ratio:	
2	<u>Unit 2 Net In-Service Investment:</u>	
3	Electric Plant In-Service	213,811,002
4	- Accumulated Depreciation	238,812,163
5	+ Materials & Supplies	24,879,409
6	+ Prepayments	293,547
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	689,299
10	+ Unamortized Debt Expense (A/C 181)	53,351
11	+ Deferred ASH pond cost (A/C182.3)	1,169,698
12	- Asset Retirement Obligation (A/C 230)	9,688,379
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	15,816,028
15	- Accumulated Deferred ITC	6,894,999
16	Total Unit 2 Net In-Service Investment	----- (30,315,262) -----
17	<u>Unit 1 Net In-Service Investment:</u>	
18	Electric Plant In-Service	889,073,150
19	- Accumulated Depreciation	522,649,928
20	+ Materials & Supplies	25,137,064
21	+ Prepayments	293,547
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(984,719)
25	+ Unamortized Debt Expense (A/C 181)	53,351
26	+ Deferred ASH pond cost (A/C182.3)	1,169,698
27	- Asset Retirement Obligation (A/C 230)	9,688,379
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	34,764,847
30	- Accumulated Deferred ITC	0
31	Total Unit 1 Net In-Service Investment	----- 347,638,937 -----
32	Total Net In-Service Investment	----- 317,323,675 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 2 (Line 16 / Line 32)	-9.5500%
35	Unit 1 (Line 31 / Line 32)	109.5500%
		----- 100.0000% =====
	* As Permitted By FERC	=====

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>August, 2019</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	166,992,272
6	- Temporary Cash Investments	(33,492,279)

7	Net Capitalization	395,484,551
		=====
8	40% of Net Capitalization	158,193,820
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	158,193,820
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,603,025
13	x Operating Ratio	78.2691%
14	x Net In-Service Investment Ratio	-9.5500%
15	= Subtotal	(119,821)
16	Excess of Line 5 Over Line 8	8,798,452
17	x Weighted Cost of Debt (Monthly Rate)	0.3379%
18	= Return on Equity over 40% of Capitalization	29,730
19	x Operating Ratio	78.2691%
20	x Net In-Service Investment Ratio	-9.5500%
21	= Subtotal	(2,222)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(122,043)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	545,755
25	+ Short-Term Debt Interest Expense (a/c 430)	21,192
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	(113,176)

28	= Net Interest Expense	680,123
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	680,123
31	x Operating Ratio	78.2691%
32	x Net In-Service Investment Ratio	-9.5500%
33	= Unit 2 Return on Other Capital	(50,837)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>		<u>UNIT 2 August, 2019</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	(33,492,279)

5	Total Debt Balances (Prior Month Ending)	161,507,721
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	120.7373%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	-20.7373%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	3.2953%
13	Short-Term Debt (avg Money Pool STD int rate)	2.4917%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	3.9787%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	3.9787%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>August, 2019</u>
1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,252,066
3	Fuel Stock Expenses - Undistributed (152)	419,179
4	Fuel Stock - Oil (151)	440,846
5	Plant Materials & Operating Supplies	6,767,318
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	24,879,409
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	17,509,721
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	17,509,721
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,662,054
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6383.4
16	= Tons Consumed per Hour	260.37
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6248.88
19	x 68 days	68
20	= 68 day Supply (Tons)	424,924
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	37.151
22	= 68 day Coal Inventory	15,786,352
23	Lesser of Imputed or Capped Coal Inventory	15,786,352
24	Imputed Inventory Minus Line 23	1,723,369
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	Deferred Invent
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	0
	* Excludes Forced Outages,Scheduled Outages,and Curtailments	
	** May Not Be Less Than Zero	
	Total Unit 2 Monthly Power Bill with Actual	0
	Total Unit 2 Monthly Power Bill with 68 Day Capped	0
	Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 August, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 August, 2019</u>
1	500,502-508	Steam Power Generation - Operation	8,187,110
2	501	Fuel - Operation	704,290
3	510-515	Steam Power Generating - Maintenance	315,098
4		Total Steam Power Generation Expenses	9,206,498
5	555-557	Other Power Supply Expenses	(12,240)
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expennse - Maintenance	0
11		Total Distribution Expennse	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	131,575
16	935	Administrative and General Expenses - Maintenance	14,511
17		Total Administrative & General Exp.	146,086
18		Total Operation & Maintenance Expenses	9,340,345

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

Pg 10 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 August, 2019</u>
1	403	Depreciation Expense *	2,410,885
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	706,890
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,171,065 =
7	411.10	ARO Accretion Expense	40,298
8		Total Depreciation, Amortization & Accretion Expenses	3,211,363

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>August, 2019</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	153,684
2	409.1	State Income Taxes	0
3		Total Taxes Other than Federal Income Taxes	----- 153,684 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 August, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
			=====	=====	=====
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411. Other Unit 2 Schedule `M' Adjustments -				
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
			-----	-----	-----
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0
			=====	=====	=====

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

**UNIT 2
August, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	212,940,679
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	870,323
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 213,811,002
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	176,489,535
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	62,322,628
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 238,812,163
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,692,912
22	152	Fuel Stock Expenses - Undistributed	419,179
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,767,318
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 24,879,409
29	165	Prepayments	----- 293,547
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 August, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	17,361,425
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(58,406)
9	234	Accounts Payable-Associated Company	(13,383,960)
10	236	Taxes Accrued	(1,246,523)
11	237	Interest Accrued	(696,136)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(1,287,101)
15		Total Other Working Capital	----- 689,299 =====
16	181	Unamortized Debt Expense	53,351
17	253	Other Deferred Credits	----- 0 -----
*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

Pg 14 of 18

**UNIT 2
August, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	68,741,612
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	82,705,969
35	283	+Accumulated Deferred Income Taxes - Other	1,851,670
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 15,816,028
37	255	+Accumulated Deferred Investment Tax Credits	6,894,999
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 6,894,999
40		Total Net In-Service Investment - Unit 2	----- (21,796,582) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

Pg 15 of 18

UNIT 2
August, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	84,941,978
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 84,941,978 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	1,437,669
20	151.10	Fuel Inventory Over Allowed Level *	1,723,369
21		Total Non-In-Service Investment - Other	----- 3,161,038 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	1,723,369
		TOTAL	----- 1,723,369 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

UNIT 2
August, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000 -----
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987 -----
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	49,380,284
21		Total Retained Earnings	----- 49,380,284 -----
22		Total Common Equity	----- 166,992,272 -----
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0 -----

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

**UNIT 2
August, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	(33,492,279)
44		Total Temporary Cash Investments	----- (33,492,279) -----
45		NET CAPITALIZATION	----- 395,484,551 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>August, 2019</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 166,992,272
6	- Capitalization Offsets (33,492,279)
7	Total Capitalization Balances 395,484,551
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 49.3066%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 42.2247%
13	- Capitalization Offsets -8.4687%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 3.2953%
17	Short-Term Debt (avg money pool STD int rate) 2.4917%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 3.9787%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.6248%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 5.1345%
26	- Capitalization Offsets -0.3369%
27	Total Rate of Return (Net of Tax) 7.0962%
28	Weighted Net Cost of Debt 1.9617%
29	(LTD Rate of Return + STD RR - Cap Offsets RR) + Pre-Tax Common Equity (Line 25 / .79) 6.4994%
30	(Common Equity Rate of Return grossed up for tax) = Rate of Return (Pre-Tax) 8.4611%

A E P GENERATING COMPANY		August, 2019
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	182,358
501	FUEL	704,290
502	STEAM EXPENSES	377,520
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	35,312
506	MISC. STEAM POWER EXPENSES	1,980,253
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	8,891,400
510	MAINTENANCE SUPER. AND ENGINEERING	128,942
511	MAINTENANCE OF STRUCTURES	(1,250)
512	MAINTENANCE OF BOILER PLANT	156,471
513	MAINTENANCE OF ELECTRIC PLANT	9,014
514	MAINTENANCE OF MISC. STEAM PLANT	21,921
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	315,098
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	(4,866)
557	OTHER POWER SUPPLY EXPENSES	(7,373)
	TOTAL OTHER SUPPLY EXPENSES	(12,240)

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO	>	31
NO OF DAYS IN CURRENT YEAR	>	365
CURRENT YEAR IS		2019
CURRENT MONTH IS		8
THIS BILLING IS FOR MONTH OF		August, 2019

A E P GENERATING COMPANY

**August, 2019
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	18,745
921	OFFICE SUPPLIES AND EXPENSES	10,310
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	6,713
924	PROPERTY INSURANCE	31,947
925	INJURIES AND DAMAGES	7,288
926	EMPLOYEE PENSIONS AND BENEFITS	53,240
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	3,239
931	RENTS	93
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	131,575
935	MAINTENANCE OF GENERAL PLANT	14,511
	TOTAL ADM & GEN EXPENSES	146,086
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	9,340,345
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	9,340,345
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - September, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF September, 2019
 KWH FOR THE MONTH

41,529,518

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	372,708
Return on Other Capital	104,394
Total Return	----- 477,102
Fuel	1,145,518
Purchased Power	0
Other Operating Revenues	(82,650)
Other Operation and Maintenance Exp	437,296
Depreciation Expense	567,309
Taxes Other Than Federal Income Tax	43,771
Federal Income Tax	(95,146)
TOTAL CURRENT UNIT POWER BILL	----- 2,493,200 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(0)

TOTAL PRIOR MONTH'S ADJUSTMENTS ----- (0) -----

===== TOTAL UNIT POWER BILL 2,493,200 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - October 18, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - September, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF September, 2019
 KWH FOR THE MONTH

96,902,181

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	869,651
Return on Other Capital	243,587
Total Return	1,113,238
Fuel	2,672,875
Purchased Power	0
Other Operating Revenues	(192,850)
Other Operation and Maintenance Exp	1,020,358
Depreciation Expense	1,323,722
Taxes Other Than Federal Income Tax	102,132
Federal Income Tax	(222,007)
TOTAL UNIT POWER BILL	5,817,468

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	(0)

TOTAL PRIOR MONTH'S ADJUSTMENTS (0)

TOTAL UNIT POWER BILL 5,817,468

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - October 18, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

September, 2019

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,242,359	372,708	869,651
Return on Other Capital	347,981	104,394	243,587
Total Return	1,590,340	477,102	1,113,238
+ Fuel	3,818,393	1,145,518	2,672,875
+ Purchased Power	0	0	0
- Other Operating Revenues	(275,500)	(82,650)	(192,850)
+ Other Operation and Maintenance Exp	1,457,654	437,296	1,020,358
+ Depreciation Expense	1,891,031	567,309	1,323,722
+ Taxes Other Than Federal Income Tax	145,903	43,771	102,132
+ Federal and State Income Tax	(317,153)	(95,146)	(222,007)
= Total Unit 1 Monthly Power Bill	8,310,668	2,493,200	5,817,468
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,590,340	477,102	1,113,238
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	0	0	0
- Unit 1 Interest Expense Deduction *	408,726	122,618	286,108
= Subtotal	1,181,614	354,484	827,130
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 1 Current Federal Income Tax	(317,153)	(95,146)	(222,007)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(317,153)	(95,146)	(222,007)
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	8,310,668	2,493,200	5,817,468
- Operation and Maintenance Expenses	5,276,047	1,582,814	3,693,234
- Depreciation Expense	1,891,031	567,309	1,323,722
- Taxes Other Than Federal Income Tax	145,903	43,771	102,132
- Unit 1 Interest Expense Deduction *	408,726	122,618	286,108
- Other Operating Revenues	(275,500)	(82,650)	(192,850)
= Pre-Tax Book Income	864,461	259,338	605,123
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	864,461	259,338	605,123
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(317,154)	(95,146)	(222,008)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(317,154)	(95,146)	(222,008)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 September, 2019</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,102,922,487
4	- Accumulated Depreciation 766,353,845
5	+ Materials & Supplies 51,714,364
6	+ Prepayments 525,860
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (9,561,597)
10	+ Unamortized Debt Expense (A/C 181) 158,074
11	+ Deferred ASH pond cost (A/C182.3) 2,331,573
12	- Asset Retirement Obligation (A/C 230) 19,451,244
13	- Other Deferred Credits (A/C 253) 1,067,000
14	- Accumulated Deferred FIT 50,580,875
15	- Accumulated Deferred ITC 6,894,999
16	Total Net In-Service Investment 303,742,797
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 89,495,773
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 89,495,773
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 1,196,443
25	+ Fuel Inventory Over Allowed Level **** 4,445,714
26	Total Non-In-Service Investment - Other 6,676,257
27	Total Investment (Lines 16+21+26) 399,914,827
28	Operating Ratio (Line 16/Line 27) 75.9519%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 22.3787%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 1.6694%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 1</u>	<u>September, 2015</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	889,097,193
4	- Accumulated Depreciation	524,408,379
5	+ Materials & Supplies	26,485,209
6	+ Prepayments	262,930
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(5,263,145)
10	+ Unamortized Debt Expense (A/C 181)	79,037
11	+ Deferred ASH pond cost (A/C182.3)	1,165,786
12	- Asset Retirement Obligation (A/C 230)	9,725,622
13	- Other Deferred Credits (A/C 253)	533,500
14	- Accumulated Deferred FIT	34,764,847
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	342,394,662
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	213,825,294
19	- Accumulated Depreciation	241,945,466
20	+ Materials & Supplies	25,229,155
21	+ Prepayments	262,930
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(4,298,452)
25	+ Unamortized Debt Expense (A/C 181)	79,037
26	+ Deferred ASH pond cost (A/C182.3)	1,165,786
27	- Asset Retirement Obligation (A/C 230)	9,725,622
28	- Other Deferred Credits (A/C 253)	533,500
29	- Accumulated Deferred FIT	15,816,028
30	- Accumulated Deferred ITC	6,894,999
31	Total Unit 2 Net In-Service Investment	(38,651,865)
32	Total Net In-Service Investment	303,742,797
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	112.7300%
35	Unit 2 (Line 31 / Line 32)	-12.7300%
		100.0000%

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
 COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 September, 2019</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	150,000,000
3	+ Short-Term Debt	22,037,254
4	+ Preferred Stock	0
5	+ Common Equity	168,438,896
6	- Temporary Cash Investments	0
7	Net Capitalization	340,476,150 =====
8	40% of Net Capitalization	136,190,460
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	136,190,460
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,380,059
13	x Operating Ratio	75.9519%
14	x Net In-Service Investment Ratio	112.7300%
15	= Subtotal	1,181,614
16	Excess of Line 5 Over Line 8	32,248,436
17	x Weighted Cost of Debt (Monthly Rate)	0.2200%
18	= Return on Equity over 40% of Capitalization	70,947
19	x Operating Ratio	75.9519%
20	x Net In-Service Investment Ratio	112.7300%
21	= Subtotal	60,745 -----
22	Unit 1 Return on Equity (Line 15 + Line 21)	1,242,359 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	337,181
25	+ Short-Term Debt Interest Expense (a/c 430)	69,241
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	0
28	= Net Interest Expense	406,422 -----
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	406,422
31	x Operating Ratio	75.9519%
32	x Net In-Service Investment Ratio	112.7300%
33	= Unit 1 Return on Other Capital	347,981 =====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 September, 2019</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 150,000,000
3	+ Short-Term Debt (Accts 231 + 233) 22,037,254
4	+ Other Debt (Accts 132 thru 136 + 145) 0
5	Total Debt Balances (Prior Month Ending) 172,037,254
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 87.1904%
8	+ Short-Term Debt (STD bal/Total Debt bal) 12.8096%
9	+ Other Debt 0.0000%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 2.7349%
13	Short-Term Debt (avg Money Pool STD int rate) 2.2788%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.3846%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.2919%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.6765%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

**Line
 No.**

September, 2019

1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	18,707,258
3	Fuel Stock Expenses - Undistributed (152)	467,246
4	Fuel Stock - Oil (151)	385,237
5	Plant Materials & Operating Supplies	6,925,468
6	Merchandise	0
7	Undistributed Stores Expense	0

8	Total Materials & Supplies	26,485,209
		=====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	20,302,088
11	+ Equivalent Inventory re: Deferred Return	0

12	= Imputed Coal Inventory	20,302,088

13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,724,065
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6177.1
16	= Tons Consumed per Hour	279.11
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6698.64
19	x 68 days	68
20	= 68 day Supply (Tons)	455,508
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	41.069

22	= 68 day Coal Inventory	18,707,258

23	Lesser of Imputed or Capped Coal Inventory	18,707,258

24	Imputed Inventory Minus Line 23	1,594,830
		=====
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	235,103,919
27	+ Current Month Return on Beginning Balance	1,732,787
28	+ Current Month Deferral	5,896
29	- Current Month Recovery	0

30	= Ending Balance **	236,842,602
		=====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 September, 2011</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(275,500)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (275,500) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 September, 2019</u>
1	500,502-508	Steam Power Generation - Operation	781,954
2	501	Fuel - Operation	3,818,393
3	510-515	Steam Power Generating - Maintenance	590,090
4		Total Steam Power Generation Expenses	5,190,436
5	555-557	Other Power Supply Expenses	(16,051)
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	79,257
16	935	Administrative and General Expenses - Maintenance	22,406
17		Total Administrative & General Exp.	101,662
18		Total Operation & Maintenance Expenses	5,276,047

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>September, 2019</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,797,296
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	0
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,850,586
	7 411.10	ARO Accretion Expense	40,444
	8	Total Depreciation, Amortization & Accretion Expenses	1,891,031

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>September, 2019</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	145,903
2	409.1	State Income Taxes	0
3		Total Taxes Other than FIT	----- 145,903 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 September, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

**UNIT 1
September, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	756,202,084
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	132,895,109
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	889,097,193
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	523,619,482
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	788,897
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	524,408,379
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	19,092,495
22	152	Fuel Stock Expenses - Undistributed	467,246
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,925,468
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	26,485,209
29	165	Prepayments	262,930
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>September, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	12,777,731
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(92,026)
9	234	Accounts Payable-Associated Company	(11,540,068)
10	236	Taxes Accrued	(3,454,544)
11	237	Interest Accrued	(706,323)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(2,247,915)
15		Total Other Working Capital	(5,263,145) =====
16	181	Unamortized Debt Expense	79,037
17	253	Other Deferred Credits	533,500 -----

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 September, 2019</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	3,225,603
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	36,167,940
35	283	+Accumulated Deferred Income Taxes - Other	1,822,510
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 34,764,847 -----
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0 -----
40		Total Net In-Service Investment - Unit 1	----- 350,954,498 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

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**UNIT 1
September, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	89,495,773
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 89,495,773 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	1,196,443
20	151.10	Fuel Inventory Over Allowed Level *	1,594,830
21		Total Non-In-Service Investment - Other	----- 3,825,373 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	1,594,830
		UNIT 2	0
		TOTAL	----- 1,594,830 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 1
September, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	50,826,909
21		Total Retained Earnings	50,826,909
22		Total Common Equity	168,438,896
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

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UNIT 1
September, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	150,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 150,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	22,037,254
38		Total Short-Term Debt	----- 22,037,254 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	0
44		Total Temporary Cash Investments	----- 0 -----
45		NET CAPITALIZATION	----- 340,476,150 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

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**UNIT 1
September, 2019**

Line No.

1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	150,000,000
3	+ Short-Term Debt (Accts 231 + 233)	22,037,254
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	168,438,896
6	- Capitalization Offsets	0

7	Total Capitalization Balances	340,476,150
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	44.0559%
10	+ Short-Term Debt (STD/Total Capital)	6.4725%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	49.4716%
13	- Capitalization Offsets	0.0000%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	2.7349%
17	Short-Term Debt (avg money pool STD int rate)	2.2788%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	2.6765%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	1.2049%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.1475%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	6.0157%
26	- Capitalization Offsets	0.0000%

27	Total Rate of Return (Net of Tax)	7.3681%
		=====
28	Weighted Net Cost of Debt	1.3524%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	7.6148%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	8.9672%
		=====

A E P GENERATING COMPANY		September, 2019
ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	137,884
501	FUEL	3,818,393
502	STEAM EXPENSES	460,838
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	62,050
506	MISC. STEAM POWER EXPENSES	121,181
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	4,600,347
510	MAINTENANCE SUPER. AND ENGINEERING	77,070
511	MAINTENANCE OF STRUCTURES	(3,503)
512	MAINTENANCE OF BOILER PLANT	399,487
513	MAINTENANCE OF ELECTRIC PLANT	114,179
514	MAINTENANCE OF MISC. STEAM PLANT	2,857
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	590,090
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	1,512
557	OTHER POWER SUPPLY EXPENSES	(17,563)
	TOTAL OTHER SUPPLY EXPENSES	(16,051)

IS FUEL IN BALANCE	AMOUNT MUST BE ZERO
ON PAGE 2	0

NO OF DAYS IN CURRENT MO	30
NO OF DAYS IN CURRENT YEAR	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	9
THIS BILLING IS FOR MONTH OF	September, 2019

A E P GENERATING COMPANY

**September, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	7,087
921	OFFICE SUPPLIES AND EXPENSES	(1,129)
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	(10,190)
924	PROPERTY INSURANCE	32,192
925	INJURIES AND DAMAGES	8,992
926	EMPLOYEE PENSIONS AND BENEFITS	32,716
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	9,488
931	RENTS	100
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	79,257
935	MAINTENANCE OF GENERAL PLANT	22,406
	TOTAL ADM & GEN EXPENSES	101,662
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	5,276,047
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	5,276,047
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - September, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF September, 2019
 KWH FOR THE MONTH

151,108,793

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(98,459)
Return on Other Capital	(27,578)
Total Return	----- (126,037)
Fuel	4,301,219
Purchased Power	0
Other Operating Revenues	(192,850)
Other Operation and Maintenance Exp	4,927,949
Depreciation Expense	2,272,564
Taxes Other Than Federal Income Tax	99,646
Federal Income Tax	25,135
TOTAL CURRENT UNIT POWER BILL	----- 11,307,625 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(0)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (0) -----

TOTAL UNIT POWER BILL
 =====
 11,307,625
 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - October 18, 2019

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - September, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)

ENERGY DELIVERED FOR THE MONTH OF September, 2019
 KWH FOR THE MONTH

64,760,947

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(42,197)
Return on Other Capital	(11,819)
Total Return	(54,016)
Fuel	1,843,379
Purchased Power	0
Other Operating Revenues	(82,650)
Other Operation and Maintenance Exp	2,111,978
Depreciation Expense	973,956
Taxes Other Than Federal Income Tax	42,705
Federal Income Tax	10,772

TOTAL CURRENT UNIT POWER BILL 4,846,124
 =====

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	0

TOTAL PRIOR MONTH'S ADJUSTMENTS 0

TOTAL UNIT POWER BILL 4,846,125
 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - October 18, 2019

Cc: Steve Hornyak - Columbus
 Dave Hille - Ft. Wayne
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus

Kurt C Cooper - Ft Wayne
 Shannon Listebarger - Columbus

Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

September, 2019

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(140,656)	(42,197)	(98,459)
Return on Other Capital	(39,397)	(11,819)	(27,578)
Total Return	(180,053)	(54,016)	(126,037)
+ Fuel	6,144,598	1,843,379	4,301,219
+ Purchased Power	0	0	0
- Other Operating Revenues	(275,500)	(82,650)	(192,850)
+ Other Operation and Maintenance Exp	7,039,927	2,111,978	4,927,949
+ Depreciation Expense	3,246,520	973,956	2,272,564
+ Taxes Other Than Federal Income Tax	142,351	42,705	99,646
+ Federal and State Income Tax	35,907	10,772	25,135
= Total Unit 2 Monthly Power Bill	16,153,749	4,846,124	11,307,625
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(180,053)	(54,016)	(126,037)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(46,274)	(13,882)	(32,392)
= Subtotal	(133,779)	(40,134)	(93,645)
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 2 Current Federal Income Tax	35,907	10,772	25,135
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	35,907	10,772	25,135
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	16,153,749	4,846,124	11,307,625
- Operation and Maintenance Expenses	13,184,525	3,955,357	9,229,168
- Depreciation Expense	3,246,520	973,956	2,272,564
- Taxes Other Than Federal Income Tax	142,351	42,705	99,646
- Unit 2 Interest Expense Deduction *	(46,274)	(13,882)	(32,392)
- Other Operating Revenues	(275,500)	(82,650)	(192,850)
= Pre-Tax Book Income	(97,872)	(29,362)	(68,510)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(97,872)	(29,362)	(68,510)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	35,907	10,772	25,135
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	35,907	10,772	25,135

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 2</u>	<u>September, 2019</u>
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,102,922,487
4	- Accumulated Depreciation	766,353,845
5	+ Materials & Supplies	51,714,364
6	+ Prepayments	525,860
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(9,561,597)
10	+ Unamortized Debt Expense (A/C 181)	158,074
11	+ Deferred ASH pond cost (A/C182.3)	2,331,573
12	- Asset Retirement Obligation (A/C 230)	19,451,244
13	- Other Deferred Credits (A/C 253)	1,067,000
14	- Accumulated Deferred FIT	50,580,875
15	- Accumulated Deferred ITC	6,894,999
16	Total Net In-Service Investment	303,742,797
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	89,495,773
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	89,495,773
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	1,196,443
25	+ Fuel Inventory Over Allowed Level ****	4,445,714
26	Total Non-In-Service Investment - Other	5,642,157
27	Total Investment (Lines 16+21+26)	398,880,728
28	Operating Ratio (Line 16/Line 27)	76.1488%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	22.4367%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	1.4145%
31	Total Investment	100.0000%
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 2 September, 2019</u>
1	Net In-Service Investment Ratio:	
2	<u>Unit 2 Net In-Service Investment:</u>	
3	Electric Plant In-Service	213,825,294
4	- Accumulated Depreciation	241,945,466
5	+ Materials & Supplies	25,229,155
6	+ Prepayments	262,930
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(4,298,452)
10	+ Unamortized Debt Expense (A/C 181)	79,037
11	+ Deferred ASH pond cost (A/C182.3)	1,165,786
12	- Asset Retirement Obligation (A/C 230)	9,725,622
13	- Other Deferred Credits (A/C 253)	533,500
14	- Accumulated Deferred FIT	15,816,028
15	- Accumulated Deferred ITC	6,894,999
16	Total Unit 2 Net In-Service Investment	----- (38,651,865) -----
17	<u>Unit 1 Net In-Service Investment:</u>	
18	Electric Plant In-Service	889,097,193
19	- Accumulated Depreciation	524,408,379
20	+ Materials & Supplies	26,485,209
21	+ Prepayments	262,930
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(5,263,145)
25	+ Unamortized Debt Expense (A/C 181)	79,037
26	+ Deferred ASH pond cost (A/C182.3)	1,165,786
27	- Asset Retirement Obligation (A/C 230)	9,725,622
28	- Other Deferred Credits (A/C 253)	533,500
29	- Accumulated Deferred FIT	34,764,847
30	- Accumulated Deferred ITC	0
31	Total Unit 1 Net In-Service Investment	----- 342,394,662 -----
32	Total Net In-Service Investment	----- 303,742,797 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 2 (Line 16 / Line 32)	-12.7300%
35	Unit 1 (Line 31 / Line 32)	112.7300%
		----- 100.0000% =====
	* As Permitted By FERC	=====

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 September, 2019</u>
1	Net Capitalization:	
2	Long-Term Debt	150,000,000
3	+ Short-Term Debt	22,037,254
4	+ Preferred Stock	0
5	+ Common Equity	168,438,896
6	- Temporary Cash Investments	0

7	Net Capitalization	340,476,150
		=====
8	40% of Net Capitalization	136,190,460
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	136,190,460
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,380,059
13	x Operating Ratio	76.1488%
14	x Net In-Service Investment Ratio	-12.7300%
15	= Subtotal	(133,779)
16	Excess of Line 5 Over Line 8	32,248,436
17	x Weighted Cost of Debt (Monthly Rate)	0.2200%
18	= Return on Equity over 40% of Capitalization	70,947
19	x Operating Ratio	76.1488%
20	x Net In-Service Investment Ratio	-12.7300%
21	= Subtotal	(6,877)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(140,656)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	337,181
25	+ Short-Term Debt Interest Expense (a/c 430)	69,241
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	0

28	= Net Interest Expense	406,422
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	406,422
31	x Operating Ratio	76.1488%
32	x Net In-Service Investment Ratio	-12.7300%
33	= Unit 2 Return on Other Capital	(39,397)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 6 of 18
DETERMINATION OF WEIGHTED COST OF DEBT

<u>Line No.</u>		<u>UNIT 2</u> <u>September, 2019</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	150,000,000
3	+ Short-Term Debt (Accts 231 + 233)	22,037,254
4	+ Other Debt (Accts 132 thru 136 + 145)	0

5	Total Debt Balances (Prior Month Ending)	172,037,254
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	87.1904%
8	+ Short-Term Debt (STD bal/Total Debt bal)	12.8096%
9	+ Other Debt	0.0000%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.7349%
13	Short-Term Debt (avg Money Pool STD int rate)	2.2788%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.3846%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.2919%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.6765%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

<u>Line No.</u>	<u>INCLUDE A/C 431 ON PG 5</u>	<u>UNIT 2</u> <u>September, 2019</u>
1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,451,204
3	Fuel Stock Expenses - Undistributed (152)	467,246
4	Fuel Stock - Oil (151)	385,237
5	Plant Materials & Operating Supplies	6,925,468
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	25,229,155 =====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	20,302,088
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	20,302,088 -----
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,662,054
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6383.4
16	= Tons Consumed per Hour	260.37
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6248.88
19	x 68 days	68
20	= 68 day Supply (Tons)	424,924
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	41.069
22	= 68 day Coal Inventory	17,451,204 -----
23	Lesser of Imputed or Capped Coal Inventory	17,451,204 -----
24	Imputed Inventory Minus Line 23	2,850,884 =====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	11,263,508
27	+ Current Month Return on Beginning Balance	83,015
28	+ Current Month Deferral	0
29	- Current Month Recovery	10,647
30	= Ending Balance **	11,335,876 =====
	* Excludes Forced Outages, Scheduled Outages, and Curtailments	
	** May Not Be Less Than Zero	
	Total Unit 2 Monthly Power Bill with Actual	10,724,089
	Total Unit 2 Monthly Power Bill with 68 Day Capped	10,713,442
	Difference	(10,647)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 September, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(275,500)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (275,500) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 September, 2019</u>
1	500,502-508	Steam Power Generation - Operation	6,450,923
2	501	Fuel - Operation	6,144,598
3	510-515	Steam Power Generating - Maintenance	441,507
4		Total Steam Power Generation Expenses	13,037,028
5	555-557	Other Power Supply Expenses	(16,051)
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expennse - Maintenance	0
11		Total Distribution Expense	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	141,143
16	935	Administrative and General Expenses - Maintenance	22,406
17		Total Administrative & General Exp.	163,548
18		Total Operation & Maintenance Expenses	13,184,525

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 September, 2019</u>
1	403	Depreciation Expense *	2,418,039
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	734,747
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,206,075 =
7	411.10	ARO Accretion Expense	40,444
8		Total Depreciation, Amortization & Accretion Expenses	3,246,520

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>September, 2019</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	142,351
2	409.1	State Income Taxes	0
3		Total Taxes Other than Federal Income Taxes	----- 142,351 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 September, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
			-----	-----	-----
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
			-----	-----	-----
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0
			=====	=====	=====

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

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**UNIT 2
September, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	213,174,693
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	650,601
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 213,825,294
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	178,951,655
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	62,993,811
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 241,945,466
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,836,441
22	152	Fuel Stock Expenses - Undistributed	467,246
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,925,468
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 25,229,155
29	165	Prepayments	----- 262,930
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 September, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	13,099,555
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(92,026)
9	234	Accounts Payable-Associated Company	(11,480,066)
10	236	Taxes Accrued	(1,074,120)
11	237	Interest Accrued	(706,323)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(4,045,472)
15		Total Other Working Capital	(4,298,452)
			=====
16	181	Unamortized Debt Expense	79,037
17	253	Other Deferred Credits	533,500

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

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**UNIT 2
 September, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	68,741,612
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	82,705,969
35	283	+Accumulated Deferred Income Taxes - Other	1,851,670
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 15,816,028 -----
37	255	+Accumulated Deferred Investment Tax Credits	6,894,999
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 6,894,999 -----
40		Total Net In-Service Investment - Unit 2	----- (30,092,029) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

Pg 15 of 18

UNIT 2
September, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	89,495,773
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 89,495,773 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	1,196,443
20	151.10	Fuel Inventory Over Allowed Level *	4,445,714
21		Total Non-In-Service Investment - Other	----- 5,642,157 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	1,594,830
		UNIT 2	2,850,884
		TOTAL	----- 4,445,714 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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UNIT 2
September, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	50,826,909
21		Total Retained Earnings	50,826,909
22		Total Common Equity	168,438,896
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

**UNIT 2
September, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	150,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 150,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	22,037,254
38		Total Short-Term Debt	----- 22,037,254 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	0
44		Total Temporary Cash Investments	----- 0 -----
45		NET CAPITALIZATION	----- 340,476,150 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>September, 2019</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 150,000,000
3	+ Short-Term Debt (Accts 231 + 233) 22,037,254
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 168,438,896
6	- Capitalization Offsets 0
7	Total Capitalization Balances 340,476,150
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 44.0559%
10	+ Short-Term Debt (STD/Total Capital) 6.4725%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 49.4716%
13	- Capitalization Offsets 0.0000%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.7349%
17	Short-Term Debt (avg money pool STD int rate) 2.2788%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.6765%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.2049%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.1475%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 6.0157%
26	- Capitalization Offsets 0.0000%
27	Total Rate of Return (Net of Tax) 7.3681%
28	Weighted Net Cost of Debt 1.3524%
29	(LTD Rate of Return + STD RR - Cap Offsets RR) + Pre-Tax Common Equity (Line 25 / .79) 7.6148%
30	(Common Equity Rate of Return grossed up for tax) = Rate of Return (Pre-Tax) 8.9672%

A E P GENERATING COMPANY		September, 2019
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	139,893
501	FUEL	6,144,598
502	STEAM EXPENSES	475,098
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	77,960
506	MISC. STEAM POWER EXPENSES	146,304
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	12,595,521
510	MAINTENANCE SUPER. AND ENGINEERING	76,350
511	MAINTENANCE OF STRUCTURES	9,226
512	MAINTENANCE OF BOILER PLANT	251,367
513	MAINTENANCE OF ELECTRIC PLANT	76,939
514	MAINTENANCE OF MISC. STEAM PLANT	27,625
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	441,507
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	1,512
557	OTHER POWER SUPPLY EXPENSES	(17,563)
	TOTAL OTHER SUPPLY EXPENSES	(16,051)

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO	>	30
NO OF DAYS IN CURRENT YEAR	>	365
CURRENT YEAR IS		2019
CURRENT MONTH IS		9
THIS BILLING IS FOR MONTH OF		September, 2019

A E P GENERATING COMPANY

**September, 2019
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	8,659
921	OFFICE SUPPLIES AND EXPENSES	(1,128)
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	50,122
924	PROPERTY INSURANCE	32,192
925	INJURIES AND DAMAGES	8,992
926	EMPLOYEE PENSIONS AND BENEFITS	32,717
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	9,488
931	RENTS	100
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	141,143
935	MAINTENANCE OF GENERAL PLANT	22,406
	TOTAL ADM & GEN EXPENSES	163,548
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	13,184,525
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	13,184,525
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - October, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF October, 2019
 KWH FOR THE MONTH 0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	359,366
Return on Other Capital	106,257
Total Return	----- 465,623
Fuel	(8,646)
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	677,512
Depreciation Expense	566,711
Taxes Other Than Federal Income Tax	29,186
Federal Income Tax	106,328
TOTAL CURRENT UNIT POWER BILL	----- 1,834,088 -----
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	0
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- 0 -----
TOTAL UNIT POWER BILL	=====
	1,834,088
	=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - Payment Date
 Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA,COLUMBUS,OH 43215
TELEPHONE (614) 716-3724

INDIANA MICHIGAN POWER COMPANY
P. O. BOX 60
FORT WAYNE, IN 46801

ESTIMATE
19-May-20

UNIT 1
POWER BILL - - October, 2019

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF October, 2019
 KWH FOR THE MONTH

0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	838,520
Return on Other Capital	247,933
Total Return	----- 1,086,453
Fuel	(20,175)
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	1,580,863
Depreciation Expense	1,322,324
Taxes Other Than Federal Income Tax	68,102
Federal Income Tax	248,097
TOTAL UNIT POWER BILL	----- 4,279,539 -----
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	0
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- 0 -----
TOTAL UNIT POWER BILL	=====
	4,279,539
	=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

October, 2019

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,197,886	359,366	838,520
Return on Other Capital	354,190	106,257	247,933
Total Return	1,552,076	465,623	1,086,453
+ Fuel	(28,821)	(8,646)	(20,175)
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	2,258,375	677,512	1,580,863
+ Depreciation Expense	1,889,035	566,711	1,322,324
+ Taxes Other Than Federal Income Tax	97,288	29,186	68,102
+ Federal and State Income Tax	(100,470)	(30,141)	(70,330)
= Total Unit 1 Monthly Power Bill	5,658,734	1,697,620	3,961,113
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,552,076	465,623	1,086,453
+ Unit 1 Schedule M Adjustments	(795,309)	(238,593)	(556,716)
+ Unit 1 Deferred Federal Income Taxes	(11,102)	(3,330)	(7,772)
- Unit 1 Interest Expense Deduction *	412,706	123,812	288,894
= Subtotal	332,959	99,888	233,071
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 1 Current Federal Income Tax	(89,369)	(26,811)	(62,558)
+ Unit 1 Def Fed & State Income Taxes	(11,102)	(3,330)	(7,772)
= Total Unit 1 Fed&State Income Taxes	(100,470)	(30,141)	(70,330)
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	5,658,734	1,697,620	3,961,113
- Operation and Maintenance Expenses	2,229,554	668,866	1,560,688
- Depreciation Expense	1,889,035	566,711	1,322,324
- Taxes Other Than Federal Income Tax	97,288	29,186	68,102
- Unit 1 Interest Expense Deduction *	412,706	123,812	288,894
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	1,038,900	311,670	727,229
+ Unit 1 Schedule M Adjustments	(795,309)	(238,593)	(556,716)
= Unit 1 Taxable Income	243,591	73,077	170,513
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(89,368)	(26,810)	(62,558)
+ Unit 1 Def Fed & State Income Taxes	(11,102)	(3,330)	(7,772)
= Total Unit 1 Fed&State Income Taxes	(100,470)	(30,140)	(70,330)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

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**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 October, 2019</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,102,838,007
4	- Accumulated Depreciation 771,148,622
5	+ Materials & Supplies 51,912,765
6	+ Prepayments 470,407
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (4,030,954)
10	+ Unamortized Debt Expense (A/C 181) 438,477
11	+ Deferred ASH pond cost (A/C182.3) 2,323,749
12	- Asset Retirement Obligation (A/C 230) 19,527,283
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 160,117,657
15	- Accumulated Deferred ITC 6,402,504
16	Total Net In-Service Investment 196,756,385
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 94,945,471
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 94,945,471
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 948,832
25	+ Fuel Inventory Over Allowed Level **** 1,645,551
26	Total Non-In-Service Investment - Other 3,628,483
27	Total Investment (Lines 16+21+26) 295,330,339
28	Operating Ratio (Line 16/Line 27) 66.6225%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 32.1489%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 1.2286%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 1</u>	<u>October, 2019</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	889,061,924
4	- Accumulated Depreciation	526,154,847
5	+ Materials & Supplies	26,779,158
6	+ Prepayments	235,203
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(2,143,160)
10	+ Unamortized Debt Expense (A/C 181)	219,239
11	+ Deferred ASH pond cost (A/C182.3)	1,161,874
12	- Asset Retirement Obligation (A/C 230)	9,763,641
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	136,071,267
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	----- 243,324,482 -----
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	213,776,083
19	- Accumulated Depreciation	244,993,775
20	+ Materials & Supplies	25,133,607
21	+ Prepayments	235,204
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(1,887,793)
25	+ Unamortized Debt Expense (A/C 181)	219,239
26	+ Deferred ASH pond cost (A/C182.3)	1,161,874
27	- Asset Retirement Obligation (A/C 230)	9,763,641
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	24,046,389
30	- Accumulated Deferred ITC	6,402,504
31	Total Unit 2 Net In-Service Investment	----- (46,568,097) -----
32	Total Net In-Service Investment	----- 196,756,385 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	123.6700%
35	Unit 2 (Line 31 / Line 32)	-23.6700%
		----- 100.0000% =====

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
 COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 October, 2019</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	170,448,696
6	- Temporary Cash Investments	24,280,507
7	Net Capitalization	341,168,189
		=====
8	40% of Net Capitalization	136,467,276
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	136,467,276
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,382,864
13	x Operating Ratio	66.6225%
14	x Net In-Service Investment Ratio	123.6700%
15	= Subtotal	1,139,370
16	Excess of Line 5 Over Line 8	33,981,420
17	x Weighted Cost of Debt (Monthly Rate)	0.2090%
18	= Return on Equity over 40% of Capitalization	71,021
19	x Operating Ratio	66.6225%
20	x Net In-Service Investment Ratio	123.6700%
21	= Subtotal	58,516
22	Unit 1 Return on Equity (Line 15 + Line 21)	1,197,886
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	458,367
25	+ Short-Term Debt Interest Expense (a/c 430)	22,271
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	50,754
28	= Net Interest Expense	429,884
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	429,884
31	x Operating Ratio	66.6225%
32	x Net In-Service Investment Ratio	123.6700%
33	= Unit 1 Return on Other Capital	354,190
		=====
	* Line 6 x Line 19 from Pg 6 of 18	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 October, 2019</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Other Debt (Accts 132 thru 136 + 145) 24,280,507
5	Total Debt Balances (Prior Month Ending) 219,280,507
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 88.9272%
8	+ Short-Term Debt (STD bal/Total Debt bal) 0.0000%
9	+ Other Debt 11.0728%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 2.7676%
13	Short-Term Debt (avg Money Pool STD int rate) 2.2559%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.4612%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.4612%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

October, 2019

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	19,096,755
3	Fuel Stock Expenses - Undistributed (152)	515,687
4	Fuel Stock - Oil (151)	303,504
5	Plant Materials & Operating Supplies	6,863,212
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	26,779,158
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	19,096,755
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	19,096,755
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,724,065
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6177.1
16	= Tons Consumed per Hour	279.11
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6698.64
19	x 68 days	68
20	= 68 day Supply (Tons)	455,508
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	44.017
22	= 68 day Coal Inventory	20,050,096
23	Lesser of Imputed or Capped Coal Inventory	19,096,755
24	Imputed Inventory Minus Line 23	0
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	Deferred Inventory
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	5,140,613
29	- Current Month Recovery	0
30	= Ending Balance **	5,140,613

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 October, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 October, 2019</u>
1	500,502-508	Steam Power Generation - Operation	826,645
2	501	Fuel - Operation	(28,821)
3	510-515	Steam Power Generating - Maintenance	1,285,785
4		Total Steam Power Generation Expenses	2,083,609
5	555-557	Other Power Supply Expenses	14,633
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	119,117
16	935	Administrative and General Expenses - Maintenance	12,194
17		Total Administrative & General Exp.	131,311
18		Total Operation & Maintenance Expenses	2,229,554

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>October, 2019</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,795,152
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	0
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,848,442
	7 411.10	ARO Accretion Expense	40,593
	8	Total Depreciation, Amortization & Accretion Expenses	1,889,035

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 October, 2019</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	150,048
2	409.1	State Income Taxes	(52,760)
3		Total Taxes Other than FIT	----- 97,288 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 October, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	(795,309)	(238,593)	(556,716)
5	***	Total Unit 1 Schedule `M' Adjustments	(795,309)	(238,593)	(556,716)
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	(230,621)	(69,186)	(161,435)
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	219,519	65,856	153,663
12	***	Total Unit 1 Deferred Federal Income Tax	(11,102)	(3,330)	(7,772)

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

**UNIT 1
October, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	756,339,674
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	132,722,250
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	889,061,924
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	525,415,161
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	739,686
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	526,154,847
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	19,400,258
22	152	Fuel Stock Expenses - Undistributed	515,687
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,863,212
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	26,779,158
29	165	Prepayments	235,203
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>October, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	11,732,980
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(99,293)
9	234	Accounts Payable-Associated Company	(8,136,421)
10	236	Taxes Accrued	(2,829,125)
11	237	Interest Accrued	(735,053)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(2,076,249)
15		Total Other Working Capital	(2,143,160)
			=====
16	181	Unamortized Debt Expense	219,239
17	253	Other Deferred Credits	0

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 October, 2019</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	(83,617,409)
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	50,737,635
35	283	+Accumulated Deferred Income Taxes - Other	1,716,223
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 136,071,267 -----
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0 -----
40		Total Net In-Service Investment - Unit 1	----- 251,926,249 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

Pg 15 of 18

**UNIT 1
 October, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	94,945,471
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 94,945,471 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	948,832
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 1,982,932 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 1
October, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	52,836,709
21		Total Retained Earnings	52,836,709
22		Total Common Equity	170,448,696
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

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UNIT 1
October, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	24,280,507
44		Total Temporary Cash Investments	----- 24,280,507 -----
45		NET CAPITALIZATION	----- 341,168,189 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

Page 18 of 18

**UNIT 1
October, 2019**

Line No.

1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	-
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	170,448,696
6	- Capitalization Offsets	24,280,507

7	Total Capitalization Balances	341,168,189
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	57.1566%
10	+ Short-Term Debt (STD/Total Capital)	0.0000%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	49.9603%
13	- Capitalization Offsets	7.1169%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	2.7676%
17	Short-Term Debt (avg money pool STD int rate)	2.2559%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	2.4612%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	1.5819%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	6.0752%
26	- Capitalization Offsets	0.1752%

27	Total Rate of Return (Net of Tax)	7.4819%
		=====
28	Weighted Net Cost of Debt	1.4067%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	7.6901%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	9.0968%
		=====

A E P GENERATING COMPANY		October, 2019
ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	233,778
501	FUEL	(28,821)
502	STEAM EXPENSES	250,432
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	25,956
506	MISC. STEAM POWER EXPENSES	316,479
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	797,824
510	MAINTENANCE SUPER. AND ENGINEERING	144,885
511	MAINTENANCE OF STRUCTURES	96,259
512	MAINTENANCE OF BOILER PLANT	453,198
513	MAINTENANCE OF ELECTRIC PLANT	553,155
514	MAINTENANCE OF MISC. STEAM PLANT	38,289
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	1,285,785
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	3,463
557	OTHER POWER SUPPLY EXPENSES	11,170
	TOTAL OTHER SUPPLY EXPENSES	14,633

IS FUEL IN BALANCE	AMOUNT MUST BE ZERO
ON PAGE 2	0

NO OF DAYS IN CURRENT MO	31
NO OF DAYS IN CURRENT YEAR	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	10
THIS BILLING IS FOR MONTH OF	October, 2019

A E P GENERATING COMPANY

**October, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	5,390
921	OFFICE SUPPLIES AND EXPENSES	11,130
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	27,158
924	PROPERTY INSURANCE	32,162
925	INJURIES AND DAMAGES	9,207
926	EMPLOYEE PENSIONS AND BENEFITS	32,311
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	1,652
931	RENTS	106
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	119,117
935	MAINTENANCE OF GENERAL PLANT	12,194
	TOTAL ADM & GEN EXPENSES	131,311
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	2,229,554
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	2,229,554
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - October, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF October, 2019
 KWH FOR THE MONTH

113,834,332

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(161,054)
Return on Other Capital	(47,620)
Total Return	(208,674)
Fuel	3,392,091
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	5,086,679
Depreciation Expense	2,248,447
Taxes Other Than Federal Income Tax	65,615
Federal Income Tax	224,886
TOTAL CURRENT UNIT POWER BILL	10,802,920

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	0
TOTAL PRIOR MONTH'S ADJUSTMENTS	0

TOTAL UNIT POWER BILL **10,802,920**

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - October, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)

ENERGY DELIVERED FOR THE MONTH OF October, 2019
 KWH FOR THE MONTH

48,786,156

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(69,023)
Return on Other Capital	(20,409)
Total Return	(89,432)
Fuel	1,453,753
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,180,005
Depreciation Expense	963,620
Taxes Other Than Federal Income Tax	28,121
Federal Income Tax	96,381

TOTAL CURRENT UNIT POWER BILL

4,629,823

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	0

TOTAL PRIOR MONTH'S ADJUSTMENTS

0

TOTAL UNIT POWER BILL

4,629,823

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus
 Dave Hille - Ft. Wayne
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus

Kurt C Cooper - Ft Wayne
 Shannon Listebarger - Columbus

Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

October, 2019

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(230,077)	(69,023)	(161,054)
Return on Other Capital	(68,029)	(20,409)	(47,620)
Total Return	(298,106)	(89,432)	(208,674)
+ Fuel	4,845,845	1,453,753	3,392,091
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	7,266,684	2,180,005	5,086,679
+ Depreciation Expense	3,212,067	963,620	2,248,447
+ Taxes Other Than Federal Income Tax	93,736	28,121	65,615
+ Federal and State Income Tax	354,455	106,337	248,118
= Total Unit 2 Monthly Power Bill	15,465,931	4,639,779	10,826,151
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(298,106)	(89,432)	(208,674)
+ Unit 2 Schedule M Adjustments	(993,907)	(298,172)	(695,735)
+ Unit 2 Deferred Federal Income Taxes	39,567	11,870	27,697
- Unit 2 Interest Expense Deduction *	(79,268)	(23,780)	(55,488)
= Subtotal	(1,173,178)	(351,954)	(821,224)
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 2 Current Federal Income Tax	314,889	94,467	220,422
+ Unit 2 Def Fed & State Income Taxes	39,567	11,870	27,697
= Total Unit 2 Fed&State Income Taxes	354,455	106,337	248,118
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	15,465,931	4,639,779	10,826,151
- Operation and Maintenance Expenses	12,112,529	3,633,758	8,478,770
- Depreciation Expense	3,212,067	963,620	2,248,447
- Taxes Other Than Federal Income Tax	93,736	28,121	65,615
- Unit 2 Interest Expense Deduction *	(79,268)	(23,780)	(55,488)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	135,617	40,685	94,932
+ Unit 2 Schedule M Adjustments	(993,907)	(298,172)	(695,735)
= Unit 2 Taxable Income	(858,290)	(257,487)	(600,803)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	314,890	94,467	220,423
+ Unit 2 Def Fed & State Income Taxes	39,567	11,870	27,697
= Total Unit 2 Fed&State Income Taxes	354,457	106,337	248,120

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 2 October, 2019</u>
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,102,838,007
4	- Accumulated Depreciation	771,148,622
5	+ Materials & Supplies	51,912,765
6	+ Prepayments	470,407
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(4,030,954)
10	+ Unamortized Debt Expense (A/C 181)	438,477
11	+ Deferred ASH pond cost (A/C182.3)	2,323,749
12	- Asset Retirement Obligation (A/C 230)	19,527,283
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	160,117,657
15	- Accumulated Deferred ITC	6,402,504
16	Total Net In-Service Investment	----- 196,756,385
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	94,945,471
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 94,945,471
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	948,832
25	+ Fuel Inventory Over Allowed Level ****	1,645,551
26	Total Non-In-Service Investment - Other	----- 2,594,383
27	Total Investment (Lines 16+21+26)	----- 294,296,240 =====
28	Operating Ratio (Line 16/Line 27)	66.8566%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	32.2619%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	0.8815%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 2 October, 2019</u>
1	Net In-Service Investment Ratio:
2	<u>Unit 2 Net In-Service Investment:</u>
3	Electric Plant In-Service 213,776,083
4	- Accumulated Depreciation 244,993,775
5	+ Materials & Supplies 25,133,607
6	+ Prepayments 235,204
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital ** (1,887,793)
10	+ Unamortized Debt Expense (A/C 181) 219,239
11	+ Deferred ASH pond cost (A/C182.3) 1,161,874
12	- Asset Retirement Obligation (A/C 230) 9,763,641
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 24,046,389
15	- Accumulated Deferred ITC 6,402,504
16	Total Unit 2 Net In-Service Investment (46,568,097)
17	<u>Unit 1 Net In-Service Investment:</u>
18	Electric Plant In-Service 889,061,924
19	- Accumulated Depreciation 526,154,847
20	+ Materials & Supplies 26,779,158
21	+ Prepayments 235,203
22	+ Plant Held For Future Use (A/C 105) * 0
23	+ Other Deferred Debits (A/C 186) * 0
24	+ Other Working Capital ** (2,143,160)
25	+ Unamortized Debt Expense (A/C 181) 219,239
26	+ Deferred ASH pond cost (A/C182.3) 1,161,874
27	- Asset Retirement Obligation (A/C 230) 9,763,641
28	- Other Deferred Credits (A/C 253) 0
29	- Accumulated Deferred FIT 136,071,267
30	- Accumulated Deferred ITC 0
31	Total Unit 1 Net In-Service Investment 243,324,482
32	Total Net In-Service Investment 196,756,385
33	<u>Net In-Service Investment Ratio:</u>
34	Unit 2 (Line 16 / Line 32) -23.6700%
35	Unit 1 (Line 31 / Line 32) 123.6700%
	100.0000%
	* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 October, 2019</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	170,448,696
6	- Temporary Cash Investments	24,280,507

7	Net Capitalization	341,168,189
		=====
8	40% of Net Capitalization	136,467,276
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	136,467,276
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,382,864
13	x Operating Ratio	66.8566%
14	x Net In-Service Investment Ratio	-23.6700%
15	= Subtotal	(218,838)
16	Excess of Line 5 Over Line 8	33,981,420
17	x Weighted Cost of Debt (Monthly Rate)	0.2090%
18	= Return on Equity over 40% of Capitalization	71,021
19	x Operating Ratio	66.8566%
20	x Net In-Service Investment Ratio	-23.6700%
21	= Subtotal	(11,239)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(230,077)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	458,367
25	+ Short-Term Debt Interest Expense (a/c 430)	22,271
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	50,754

28	= Net Interest Expense	429,884
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	429,884
31	x Operating Ratio	66.8566%
32	x Net In-Service Investment Ratio	-23.6700%
33	= Unit 2 Return on Other Capital	(68,029)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>		<u>UNIT 2 October, 2019</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	24,280,507

5	Total Debt Balances (Prior Month Ending)	219,280,507
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	88.9272%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	11.0728%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.7676%
13	Short-Term Debt (avg Money Pool STD int rate)	2.2559%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.4612%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.4612%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>October, 2019</u>
1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,451,204
3	Fuel Stock Expenses - Undistributed (152)	515,687
4	Fuel Stock - Oil (151)	303,504
5	Plant Materials & Operating Supplies	6,863,212
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	----- 25,133,607 =====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	19,096,755
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	----- 19,096,755 -----
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,662,054
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6383.4
16	= Tons Consumed per Hour	260.37
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6248.88
19	x 68 days	68
20	= 68 day Supply (Tons)	424,924
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	44.017
22	= 68 day Coal Inventory	----- 18,703,880 -----
23	Lesser of Imputed or Capped Coal Inventory	----- 18,703,880 -----
24	Imputed Inventory Minus Line 23	----- 392,875 =====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	Deferred Invent
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	----- 0 =====
	* Excludes Forced Outages,Scheduled Outages,and Curtailments	
	** May Not Be Less Than Zero	
	Total Unit 2 Monthly Power Bill with Actual	0
	Total Unit 2 Monthly Power Bill with 68 Day Capped	0
	Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 October, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 Pg 9 of 18
DETAIL OF OPERATION & MAINTENANCE EXPENSES**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 October, 2019</u>
1	500,502-508	Steam Power Generation - Operation	6,776,596
2	501	Fuel - Operation	4,845,845
3	510-515	Steam Power Generating - Maintenance	344,144
4		Total Steam Power Generation Expenses	11,966,584
5	555-557	Other Power Supply Expenses	14,633
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expense - Maintenance	0
11		Total Distribution Expense	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	119,117
16	935	Administrative and General Expenses - Maintenance	12,194
17		Total Administrative & General Exp.	131,311
18		Total Operation & Maintenance Expenses	12,112,529

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

Pg 10 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 October, 2019</u>
1	403	Depreciation Expense *	2,410,814
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	707,370
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,171,473 =
7	411.10	ARO Accretion Expense	40,593
8		Total Depreciation, Amortization & Accretion Expenses	3,212,067

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 October, 2019</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	146,496
2	409.1	State Income Taxes	(52,760)
3		Total Taxes Other than Federal Income Taxes	----- 93,736 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 October, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	(993,907)	(298,172)	(695,735)
5	***	Total Unit 2 Schedule `M' Adjustments	(993,907)	(298,172)	(695,735)
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	(234,029)	(70,209)	(163,820)
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	273,596	82,079	191,517
12	***	Total Unit 2 Deferred Federal Income Tax	39,567	11,870	27,697

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M (993,907)
 Check Figure on Tax Page for DFIT 39,567

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 October, 2019</u>
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	213,348,962
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	427,121
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 213,776,083
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	181,309,272
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	63,684,503
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 244,993,775
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,754,708
22	152	Fuel Stock Expenses - Undistributed	515,687
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,863,212
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 25,133,607
29	165	Prepayments	----- 235,204
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 October, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	12,054,805
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(99,293)
9	234	Accounts Payable-Associated Company	(8,076,420)
10	236	Taxes Accrued	(448,702)
11	237	Interest Accrued	(735,053)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(4,583,131)
15		Total Other Working Capital	(1,887,793)
			=====
16	181	Unamortized Debt Expense	219,239
17	253	Other Deferred Credits	0

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

Pg 14 of 18

**UNIT 2
October, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	(18,101,400)
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	4,199,606
35	283	+Accumulated Deferred Income Taxes - Other	1,745,384
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 24,046,389
37	255	+Accumulated Deferred Investment Tax Credits	6,402,504
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 6,402,504
40		Total Net In-Service Investment - Unit 2	----- (37,966,330) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

Pg 15 of 18
UNIT 2
October, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	94,945,471
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 94,945,471 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	948,832
20	151.10	Fuel Inventory Over Allowed Level *	1,645,551
21		Total Non-In-Service Investment - Other	----- 2,594,383 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	1,645,551
		TOTAL	----- 1,645,551 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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UNIT 2
October, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	52,836,709
21		Total Retained Earnings	52,836,709
22		Total Common Equity	170,448,696
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

UNIT 2
October, 2019

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	24,280,507
44		Total Temporary Cash Investments	----- 24,280,507 -----
45		NET CAPITALIZATION	----- 341,168,189 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>October, 2019</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 170,448,696
6	- Capitalization Offsets 24,280,507
7	Total Capitalization Balances 341,168,189
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 57.1566%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 49.9603%
13	- Capitalization Offsets 7.1169%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.7676%
17	Short-Term Debt (avg money pool STD int rate) 2.2559%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.4612%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.5819%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 6.0752%
26	- Capitalization Offsets 0.1752%
27	Total Rate of Return (Net of Tax) 7.4819%
28	Weighted Net Cost of Debt 1.4067%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 7.6901%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 9.0968%

A E P GENERATING COMPANY		October, 2019
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	222,195
501	FUEL	4,845,845
502	STEAM EXPENSES	541,158
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	39,681
506	MISC. STEAM POWER EXPENSES	361,894
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
TOTAL OPERATION EXPENSE		11,622,441
510	MAINTENANCE SUPER. AND ENGINEERING	141,098
511	MAINTENANCE OF STRUCTURES	9,180
512	MAINTENANCE OF BOILER PLANT	96,084
513	MAINTENANCE OF ELECTRIC PLANT	69,602
514	MAINTENANCE OF MISC. STEAM PLANT	28,179
515	MAINTENANCE NORMALIZING	0
TOTAL MAINTENANCE EXPENSES		344,144
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	3,463
557	OTHER POWER SUPPLY EXPENSES	11,170
TOTAL OTHER SUPPLY EXPENSES		14,633

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO >	31
NO OF DAYS IN CURRENT YEAR >	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	10
THIS BILLING IS FOR MONTH OF	October, 2019

A E P GENERATING COMPANY

**October, 2019
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	5,390
921	OFFICE SUPPLIES AND EXPENSES	11,130
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	27,158
924	PROPERTY INSURANCE	32,162
925	INJURIES AND DAMAGES	9,207
926	EMPLOYEE PENSIONS AND BENEFITS	32,311
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	1,652
931	RENTS	106
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	119,117
935	MAINTENANCE OF GENERAL PLANT	12,194
	TOTAL ADM & GEN EXPENSES	131,311
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	12,112,529
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	12,112,529
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - November, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF November, 2019
 KWH FOR THE MONTH

0

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	340,773
Return on Other Capital	86,888
Total Return	----- 427,661
Fuel	(11,514)
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	426,018
Depreciation Expense	566,441
Taxes Other Than Federal Income Tax	220,995
Federal Income Tax	(406,107)
TOTAL CURRENT UNIT POWER BILL	----- 1,220,869 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	71,216

TOTAL PRIOR MONTH'S ADJUSTMENTS -----
71,216

=====

TOTAL UNIT POWER BILL 1,292,084

=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

1,303,598.64

DUE DATE - - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
TELEPHONE (614) 716-3724

INDIANA MICHIGAN POWER COMPANY
P. O. BOX 60
FORT WAYNE, IN 46801

ESTIMATE
19-May-20

UNIT 1
POWER BILL - - November, 2019

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF November, 2019
 KWH FOR THE MONTH

0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	795,137
Return on Other Capital	202,738
Total Return	----- 997,875
Fuel	(26,867)
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	994,044
Depreciation Expense	1,321,696
Taxes Other Than Federal Income Tax	515,654
Federal Income Tax	(947,583)
TOTAL UNIT POWER BILL	----- 2,848,694 -----
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	166,170
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- 166,170 -----
TOTAL UNIT POWER BILL	=====
	3,014,864
	=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

November, 2019

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,135,910	340,773	795,137
Return on Other Capital	289,626	86,888	202,738
Total Return	1,425,536	427,661	997,875
+ Fuel	(38,381)	(11,514)	(26,867)
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	1,420,062	426,018	994,044
+ Depreciation Expense	1,888,137	566,441	1,321,696
+ Taxes Other Than Federal Income Tax	736,649	220,995	515,654
+ Federal and State Income Tax	(290,690)	(87,207)	(203,483)
= Total Unit 1 Monthly Power Bill	5,132,563	1,539,769	3,592,794
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,425,536	427,661	997,875
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	0	0	0
- Unit 1 Interest Expense Deduction *	342,517	102,755	239,762
= Subtotal	1,083,019	324,906	758,113
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 1 Current Federal Income Tax	(290,690)	(87,207)	(203,483)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(290,690)	(87,207)	(203,483)
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	5,132,563	1,539,769	3,592,794
- Operation and Maintenance Expenses	1,381,680	414,504	967,177
- Depreciation Expense	1,888,137	566,441	1,321,696
- Taxes Other Than Federal Income Tax	736,649	220,995	515,654
- Unit 1 Interest Expense Deduction *	342,517	102,755	239,762
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	792,329	237,699	554,630
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	792,329	237,699	554,630
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(290,690)	(87,207)	(203,483)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(290,690)	(87,207)	(203,483)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

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**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 1 November, 2019</u>
1	<u>Operating Ratio:</u>	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,103,170,390
4	- Accumulated Depreciation	775,783,624
5	+ Materials & Supplies	52,108,460
6	+ Prepayments	414,954
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(5,828,943)
10	+ Unamortized Debt Expense (A/C 181)	491,670
11	+ Deferred ASH pond cost (A/C182.3)	2,315,924
12	- Asset Retirement Obligation (A/C 230)	19,603,103
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	152,057,787
15	- Accumulated Deferred ITC	6,074,174

16	Total Net In-Service Investment	199,153,766

17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	102,216,625
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0

21	Total Non-In-Service Investment - CWIP	102,216,625

22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	1,034,099
24	+ Other Deferred Debits (A/C 186) **	706,345
25	+ Fuel Inventory Over Allowed Level ****	1,580,486

26	Total Non-In-Service Investment - Other	3,320,930

27	Total Investment (Lines 16+21+26)	304,691,321
		=====
28	Operating Ratio (Line 16/Line 27)	65.3625%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	33.5476%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	1.0899%

31	Total Investment	100.0000%
		=====

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 1 November, 2019</u>
1	<u>Net In-Service Investment Ratio:</u>
2	Unit 1 Net In-Service Investment:
3	Electric Plant In-Service 888,751,204
4	- Accumulated Depreciation 527,367,970
5	+ Materials & Supplies 26,844,473
6	+ Prepayments 207,477
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital ** (2,687,493)
10	+ Unamortized Debt Expense (A/C 181) 245,835
11	+ Deferred ASH pond cost (A/C182.3) 1,157,962
12	- Asset Retirement Obligation (A/C 230) 9,801,552
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 136,071,267
15	- Accumulated Deferred ITC 0
16	Total Unit 1 Net In-Service Investment 241,278,670
17	Unit 2 Net In-Service Investment:
18	Electric Plant In-Service 214,419,186
19	- Accumulated Depreciation 248,415,655
20	+ Materials & Supplies 25,263,987
21	+ Prepayments 207,477
22	+ Plant Held For Future Use (A/C 105) * 0
23	+ Other Deferred Debits (A/C 186) * 0
24	+ Other Working Capital ** (3,141,451)
25	+ Unamortized Debt Expense (A/C 181) 245,835
26	+ Deferred ASH pond cost (A/C182.3) 1,157,962
27	- Asset Retirement Obligation (A/C 230) 9,801,552
28	- Other Deferred Credits (A/C 253) 0
29	- Accumulated Deferred FIT 15,986,520
30	- Accumulated Deferred ITC 6,074,174
31	Total Unit 2 Net In-Service Investment (42,124,904)
32	Total Net In-Service Investment 199,153,766
33	<u>Net In-Service Investment Ratio:</u>
34	Unit 1 (Line 16 / Line 32) 121.1500%
35	Unit 2 (Line 31 / Line 32) -21.1500%
	100.0000%

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 November, 2019</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	172,220,682
6	- Temporary Cash Investments	29,798,741
7	Net Capitalization	337,421,940 =====
8	40% of Net Capitalization	134,968,776
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	134,968,776
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,367,679
13	x Operating Ratio	65.3625%
14	x Net In-Service Investment Ratio	121.1500%
15	= Subtotal	1,083,019
16	Excess of Line 5 Over Line 8	37,251,906
17	x Weighted Cost of Debt (Monthly Rate)	0.1793%
18	= Return on Equity over 40% of Capitalization	66,793
19	x Operating Ratio	65.3625%
20	x Net In-Service Investment Ratio	121.1500%
21	= Subtotal	52,891 -----
22	Unit 1 Return on Equity (Line 15 + Line 21)	1,135,910 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	403,142
25	+ Short-Term Debt Interest Expense (a/c 430)	16,047
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	53,439
28	= Net Interest Expense	365,750 -----
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	365,750
31	x Operating Ratio	65.3625%
32	x Net In-Service Investment Ratio	121.1500%
33	= Unit 1 Return on Other Capital	289,626 =====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>		<u>UNIT 1 November, 2019</u>
1	<u>Debt Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	29,798,741

5	Total Debt Balances (Prior Month Ending)	224,798,741
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	86.7443%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	13.2557%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.5153%
13	Short-Term Debt (avg Money Pool STD int rate)	2.0094%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.1819%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.1819%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

November, 2019

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	19,031,690
3	Fuel Stock Expenses - Undistributed (152)	721,138
4	Fuel Stock - Oil (151)	283,152
5	Plant Materials & Operating Supplies	6,808,493
6	Merchandise	0
7	Undistributed Stores Expense	0

8	Total Materials & Supplies	26,844,473
		=====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	19,031,690
11	+ Equivalent Inventory re: Deferred Return	0

12	= Imputed Coal Inventory	19,031,690

13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,724,065
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6177.1
16	= Tons Consumed per Hour	279.11
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6698.64
19	x 68 days	68
20	= 68 day Supply (Tons)	455,508
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	42.590

22	= 68 day Coal Inventory	19,400,086

23	Lesser of Imputed or Capped Coal Inventory	19,031,690

24	Imputed Inventory Minus Line 23	0
		=====
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	Deferred Inventory
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	4,250,134
29	- Current Month Recovery	0

30	= Ending Balance **	4,250,134
		=====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 November, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 November, 2019</u>
1	500,502-508	Steam Power Generation - Operation	447,336
2	501	Fuel - Operation	(38,381)
3	510-515	Steam Power Generating - Maintenance	858,445
4		Total Steam Power Generation Expenses	1,267,400
5	555-557	Other Power Supply Expenses	2,008
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	98,180
16	935	Administrative and General Expenses - Maintenance	14,092
17		Total Administrative & General Exp.	112,272
18		Total Operation & Maintenance Expenses	1,381,680

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>November, 2019</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,794,105
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	0
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,847,395
	7 411.10	ARO Accretion Expense	40,742
	8	Total Depreciation, Amortization & Accretion Expenses	1,888,137

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>November, 2019</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	145,649
2	409.1	State Income Taxes	591,000
3		Total Taxes Other than FIT	----- 736,649 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

**UNIT 1
November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	886,854,659
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	1,896,545
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	888,751,204
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	526,628,284
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	739,686
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	527,367,970
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	19,314,842
22	152	Fuel Stock Expenses - Undistributed	721,138
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,808,493
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	26,844,473
29	165	Prepayments	207,477
30	186	Other Deferred Debits	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 1 November, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	10,128,989
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(79,722)
9	234	Accounts Payable-Associated Company	(7,706,415)
10	236	Taxes Accrued	(2,998,457)
11	237	Interest Accrued	(760,886)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(1,271,001)
15		Total Other Working Capital	(2,687,493) =====
16	181	Unamortized Debt Expense	245,835
17	253	Other Deferred Credits	0 -----

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 14 of 18

**UNIT 1
November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	(83,617,409)
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	50,737,635
35	283	+Accumulated Deferred Income Taxes - Other	1,716,223
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 136,071,267
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0
40		Total Net In-Service Investment - Unit 1	----- 249,922,259 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

Pg 15 of 18

**UNIT 1
 November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	102,216,625
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 102,216,625 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	706,345
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 1,740,444 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 1
November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	54,608,695
21		Total Retained Earnings	54,608,695
22		Total Common Equity	172,220,682
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

**UNIT 1
 November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	195,000,000
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	0
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	29,798,741
44		Total Temporary Cash Investments	29,798,741
45		NET CAPITALIZATION	337,421,940

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

**UNIT 1
November, 2019**

Line No.

1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	-
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	172,220,682
6	- Capitalization Offsets	29,798,741

7	Total Capitalization Balances	337,421,940
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	57.7911%
10	+ Short-Term Debt (STD/Total Capital)	0.0000%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	51.0402%
13	- Capitalization Offsets	8.8313%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	2.5153%
17	Short-Term Debt (avg money pool STD int rate)	2.0094%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	2.1819%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	1.4536%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	6.2065%
26	- Capitalization Offsets	0.1927%

27	Total Rate of Return (Net of Tax)	7.4674%
		=====
28	Weighted Net Cost of Debt	1.2609%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	7.8563%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	9.1172%
		=====

A E P GENERATING COMPANY		November, 2019
ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	202,350
501	FUEL	(38,381)
502	STEAM EXPENSES	55,612
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	78,997
506	MISC. STEAM POWER EXPENSES	110,378
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	408,955
510	MAINTENANCE SUPER. AND ENGINEERING	100,283
511	MAINTENANCE OF STRUCTURES	50,914
512	MAINTENANCE OF BOILER PLANT	437,741
513	MAINTENANCE OF ELECTRIC PLANT	202,969
514	MAINTENANCE OF MISC. STEAM PLANT	66,538
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	858,445
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	(270)
557	OTHER POWER SUPPLY EXPENSES	2,278
	TOTAL OTHER SUPPLY EXPENSES	2,008

IS FUEL IN BALANCE	AMOUNT MUST BE ZERO
ON PAGE 2	0

NO OF DAYS IN CURRENT MO	30
NO OF DAYS IN CURRENT YEAR	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	11
THIS BILLING IS FOR MONTH OF	November, 2019

A E P GENERATING COMPANY

**November, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	5,954
921	OFFICE SUPPLIES AND EXPENSES	12,756
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	(16,470)
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	9,322
926	EMPLOYEE PENSIONS AND BENEFITS	42,477
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	11,874
931	RENTS	117
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	98,180
935	MAINTENANCE OF GENERAL PLANT	14,092
	TOTAL ADM & GEN EXPENSES	112,272
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	1,381,680
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	1,381,680
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - November, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF November, 2019
 KWH FOR THE MONTH

217,099,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(139,285)
Return on Other Capital	(35,514)
Total Return	----- (174,799)
Fuel	6,211,627
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	4,863,830
Depreciation Expense	2,255,709
Taxes Other Than Federal Income Tax	513,168
Federal Income Tax	(708,456)
TOTAL CURRENT UNIT POWER BILL	----- 12,954,954 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(258,117)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (258,117) -----

TOTAL UNIT POWER BILL

=====
12,696,837
=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

6,485,210.50

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - November, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF November, 2019
 KWH FOR THE MONTH

93,042,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(59,694)
Return on Other Capital	(15,220)
Total Return	(74,914)
Fuel	2,662,126
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,084,499
Depreciation Expense	966,732
Taxes Other Than Federal Income Tax	219,929
Federal Income Tax	(303,624)

TOTAL CURRENT UNIT POWER BILL 5,552,123
 =====

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(110,622)

TOTAL PRIOR MONTH'S ADJUSTMENTS (110,622)

TOTAL UNIT POWER BILL 5,441,501
 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

2,779,374.92

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

November, 2019

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(198,979)	(59,694)	(139,285)
Return on Other Capital	(50,734)	(15,220)	(35,514)
Total Return	(249,713)	(74,914)	(174,799)
+ Fuel	8,873,752	2,662,126	6,211,627
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	6,948,329	2,084,499	4,863,830
+ Depreciation Expense	3,222,441	966,732	2,255,709
+ Taxes Other Than Federal Income Tax	733,097	219,929	513,168
+ Federal and State Income Tax	50,920	15,276	35,644
= Total Unit 2 Monthly Power Bill	19,570,077	5,871,023	13,699,054
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(249,713)	(74,914)	(174,799)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(59,999)	(18,000)	(41,999)
= Subtotal	(189,714)	(56,914)	(132,800)
x Gross-Up (FIT Rate / 1-FIT Rate)	-0.268407	-0.268407	-0.268407
= Unit 2 Current Federal Income Tax	50,920	15,276	35,644
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	50,920	15,276	35,644
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	19,570,077	5,871,023	13,699,054
- Operation and Maintenance Expenses	15,822,081	4,746,625	11,075,456
- Depreciation Expense	3,222,441	966,732	2,255,709
- Taxes Other Than Federal Income Tax	733,097	219,929	513,168
- Unit 2 Interest Expense Deduction *	(59,999)	(18,000)	(41,999)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(138,794)	(41,638)	(97,156)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(138,794)	(41,638)	(97,156)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	50,921	15,276	35,645
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	50,921	15,276	35,645

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 2</u> <u>November, 2019</u>	
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,103,170,390
4	- Accumulated Depreciation	775,783,624
5	+ Materials & Supplies	52,108,460
6	+ Prepayments	414,954
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(5,828,943)
10	+ Unamortized Debt Expense (A/C 181)	491,670
11	+ Deferred ASH pond cost (A/C182.3)	2,315,924
12	- Asset Retirement Obligation (A/C 230)	19,603,103
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	152,057,787
15	- Accumulated Deferred ITC	6,074,174
16	Total Net In-Service Investment	----- 199,153,766
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	102,216,625
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 102,216,625
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	706,345
25	+ Fuel Inventory Over Allowed Level ****	1,580,486
26	Total Non-In-Service Investment - Other	----- 2,286,831
27	Total Investment (Lines 16+21+26)	----- 303,657,221 =====
28	Operating Ratio (Line 16/Line 27)	65.5851%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	33.6618%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	0.7531%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 2 November, 2019</u>
1	Net In-Service Investment Ratio:
2	<u>Unit 2 Net In-Service Investment:</u>
3	Electric Plant In-Service 214,419,186
4	- Accumulated Depreciation 248,415,655
5	+ Materials & Supplies 25,263,987
6	+ Prepayments 207,477
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital ** (3,141,451)
10	+ Unamortized Debt Expense (A/C 181) 245,835
11	+ Deferred ASH pond cost (A/C182.3) 1,157,962
12	- Asset Retirement Obligation (A/C 230) 9,801,552
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 15,986,520
15	- Accumulated Deferred ITC 6,074,174
16	Total Unit 2 Net In-Service Investment (42,124,904)
17	<u>Unit 1 Net In-Service Investment:</u>
18	Electric Plant In-Service 888,751,204
19	- Accumulated Depreciation 527,367,970
20	+ Materials & Supplies 26,844,473
21	+ Prepayments 207,477
22	+ Plant Held For Future Use (A/C 105) * 0
23	+ Other Deferred Debits (A/C 186) * 0
24	+ Other Working Capital ** (2,687,493)
25	+ Unamortized Debt Expense (A/C 181) 245,835
26	+ Deferred ASH pond cost (A/C182.3) 1,157,962
27	- Asset Retirement Obligation (A/C 230) 9,801,552
28	- Other Deferred Credits (A/C 253) 0
29	- Accumulated Deferred FIT 136,071,267
30	- Accumulated Deferred ITC 0
31	Total Unit 1 Net In-Service Investment 241,278,670
32	Total Net In-Service Investment 199,153,766
33	<u>Net In-Service Investment Ratio:</u>
34	Unit 2 (Line 16 / Line 32) -21.1500%
35	Unit 1 (Line 31 / Line 32) 121.1500%
	100.0000%
	* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 November, 2019</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	172,220,682
6	- Temporary Cash Investments	29,798,741

7	Net Capitalization	337,421,940
		=====
8	40% of Net Capitalization	134,968,776
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	134,968,776
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,367,679
13	x Operating Ratio	65.5851%
14	x Net In-Service Investment Ratio	-21.1500%
15	= Subtotal	(189,714)
16	Excess of Line 5 Over Line 8	37,251,906
17	x Weighted Cost of Debt (Monthly Rate)	0.1793%
18	= Return on Equity over 40% of Capitalization	66,793
19	x Operating Ratio	65.5851%
20	x Net In-Service Investment Ratio	-21.1500%
21	= Subtotal	(9,265)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(198,979)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	403,142
25	+ Short-Term Debt Interest Expense (a/c 430)	16,047
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	53,439

28	= Net Interest Expense	365,750
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	365,750
31	x Operating Ratio	65.5851%
32	x Net In-Service Investment Ratio	-21.1500%
33	= Unit 2 Return on Other Capital	(50,734)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 6 of 18
DETERMINATION OF WEIGHTED COST OF DEBT

<u>Line No.</u>		<u>UNIT 2 November, 2019</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	29,798,741

5	Total Debt Balances (Prior Month Ending)	224,798,741
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	86.7443%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	13.2557%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.5153%
13	Short-Term Debt (avg Money Pool STD int rate)	2.0094%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.1819%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.1819%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>November, 2019</u>
1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,451,204
3	Fuel Stock Expenses - Undistributed (152)	721,138
4	Fuel Stock - Oil (151)	283,152
5	Plant Materials & Operating Supplies	6,808,493
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	25,263,987
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	19,031,690
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	19,031,690
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,662,054
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6383.4
16	= Tons Consumed per Hour	260.37
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6248.88
19	x 68 days	68
20	= 68 day Supply (Tons)	424,924
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	42.590
22	= 68 day Coal Inventory	18,097,513
23	Lesser of Imputed or Capped Coal Inventory	18,097,513
24	Imputed Inventory Minus Line 23	934,177
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	Deferred Invent
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	0
	* Excludes Forced Outages,Scheduled Outages,and Curtailments	
	** May Not Be Less Than Zero	
	Total Unit 2 Monthly Power Bill with Actual	0
	Total Unit 2 Monthly Power Bill with 68 Day Capped	0
	Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 November, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 Pg 9 of 18
DETAIL OF OPERATION & MAINTENANCE EXPENSES**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 November, 2019</u>
1	500,502-508	Steam Power Generation - Operation	6,436,652
2	501	Fuel - Operation	8,873,752
3	510-515	Steam Power Generating - Maintenance	395,186
4		Total Steam Power Generation Expenses	----- 15,705,590
5	555-557	Other Power Supply Expenses	----- 2,008
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	----- 0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expense - Maintenance	0
11		Total Distribution Expense	----- 0
12	901-905	Customer Accounts Expenses - Operation	----- 0
13	906-910	Customer Service and Informational Expenses - Operation	----- 0
14	911-917	Sales Expenses - Operation	----- 0
15	920-933	Administrative and General Expenses - Operation	100,390
16	935	Administrative and General Expenses - Maintenance	14,092
17		Total Administrative & General Exp.	----- 114,482
18		Total Operation & Maintenance Expenses	----- 15,822,081 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

Pg 10 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 November, 2019</u>
1	403	Depreciation Expense *	2,413,622
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	714,787
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,181,699 =
7	411.10	ARO Accretion Expense	40,742
8		Total Depreciation, Amortization & Accretion Expenses	3,222,441

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>November, 2019</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	142,097
2	409.1	State Income Taxes	591,000
3		Total Taxes Other than Federal Income Taxes	----- 733,097 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

**UNIT 2
November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	213,847,273
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	571,913
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 214,419,186
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	184,135,544
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	64,280,111
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 248,415,655
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,734,356
22	152	Fuel Stock Expenses - Undistributed	721,138
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,808,493
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 25,263,987
29	165	Prepayments	----- 207,477
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 November, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	10,450,814
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(79,722)
9	234	Accounts Payable-Associated Company	(7,646,414)
10	236	Taxes Accrued	(618,033)
11	237	Interest Accrued	(760,886)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(4,487,210)
15		Total Other Working Capital	(3,141,451)
			=====
16	181	Unamortized Debt Expense	245,835
17	253	Other Deferred Credits	0

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

Pg 14 of 18

**UNIT 2
 November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	141,067,011
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	155,452,178
35	283	+Accumulated Deferred Income Taxes - Other	1,601,352
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 15,986,520
37	255	+Accumulated Deferred Investment Tax Credits	6,074,174
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 6,074,174
40		Total Net In-Service Investment - Unit 2	----- (33,481,315) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

Pg 15 of 18

UNIT 2
November, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	102,216,625
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 102,216,625 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	706,345
20	151.10	Fuel Inventory Over Allowed Level *	1,580,486
21		Total Non-In-Service Investment - Other	----- 2,286,831 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	1,580,486
		TOTAL	----- 1,580,486 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 2
November, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	54,608,695
21		Total Retained Earnings	54,608,695
22		Total Common Equity	172,220,682
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

UNIT 2
November, 2019

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	29,798,741
44		Total Temporary Cash Investments	----- 29,798,741 -----
45		NET CAPITALIZATION	----- 337,421,940 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>November, 2019</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 172,220,682
6	- Capitalization Offsets 29,798,741
7	Total Capitalization Balances 337,421,940
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 57.7911%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 51.0402%
13	- Capitalization Offsets 8.8313%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.5153%
17	Short-Term Debt (avg money pool STD int rate) 2.0094%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.1819%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.4536%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 6.2065%
26	- Capitalization Offsets 0.1927%
27	Total Rate of Return (Net of Tax) 7.4674%
28	Weighted Net Cost of Debt 1.2609%
29	(LTD Rate of Return + STD RR - Cap Offsets RR) + Pre-Tax Common Equity (Line 25 / .79) 7.8563%
30	(Common Equity Rate of Return grossed up for tax) = Rate of Return (Pre-Tax) 9.1172%

A E P GENERATING COMPANY		November, 2019
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	194,496
501	FUEL	8,873,752
502	STEAM EXPENSES	410,136
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	110,271
506	MISC. STEAM POWER EXPENSES	110,082
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	15,310,404
510	MAINTENANCE SUPER. AND ENGINEERING	98,237
511	MAINTENANCE OF STRUCTURES	9,923
512	MAINTENANCE OF BOILER PLANT	202,490
513	MAINTENANCE OF ELECTRIC PLANT	32,470
514	MAINTENANCE OF MISC. STEAM PLANT	52,066
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	395,186
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	(270)
557	OTHER POWER SUPPLY EXPENSES	2,278
	TOTAL OTHER SUPPLY EXPENSES	2,008

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO	>	30
NO OF DAYS IN CURRENT YEAR	>	365
CURRENT YEAR IS		2019
CURRENT MONTH IS		11
THIS BILLING IS FOR MONTH OF		November, 2019

A E P GENERATING COMPANY

**November, 2019
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	6,194
921	OFFICE SUPPLIES AND EXPENSES	12,756
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	(14,412)
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	9,322
926	EMPLOYEE PENSIONS AND BENEFITS	42,477
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	11,785
931	RENTS	117
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	100,390
935	MAINTENANCE OF GENERAL PLANT	14,092
	TOTAL ADM & GEN EXPENSES	114,482
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	15,822,081
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	15,822,081
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - December, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF December, 2019
 KWH FOR THE MONTH

0

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	375,213
Return on Other Capital	97,283
Total Return	----- 472,496
Fuel	20,070
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	653,086
Depreciation Expense	566,922
Taxes Other Than Federal Income Tax	(14,037)
Federal Income Tax	91,800
TOTAL CURRENT UNIT POWER BILL	----- 1,787,712 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	45,634

TOTAL PRIOR MONTH'S ADJUSTMENTS -----
45,634

=====

TOTAL UNIT POWER BILL 1,833,346
=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

1,813,276.18

DUE DATE - - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - December, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF December, 2019
 KWH FOR THE MONTH

0

	<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:		
Return on Common Equity		875,497
Return on Other Capital		226,995
Total Return		----- 1,102,492
Fuel		46,829
Purchased Power		0
Other Operating Revenues		(6,125)
Other Operation and Maintenance Exp		1,523,866
Depreciation Expense		1,322,817
Taxes Other Than Federal Income Tax		(32,753)
Federal Income Tax		214,200
TOTAL UNIT POWER BILL		----- 4,171,327 -----
Prior Month's Adjustment:		
Return on Common Equity & Other Capital		0
Fuel		0
Other Expenses (Includes taxes & interest)		106,481
TOTAL PRIOR MONTH'S ADJUSTMENTS		----- 106,481 -----
TOTAL UNIT POWER BILL		=====
		4,277,808
		=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

December, 2019

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,250,710	375,213	875,497
Return on Other Capital	324,278	97,283	226,995
Total Return	1,574,988	472,496	1,102,492
+ Fuel	66,899	20,070	46,829
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	2,176,952	653,086	1,523,866
+ Depreciation Expense	1,889,739	566,922	1,322,817
+ Taxes Other Than Federal Income Tax	(46,790)	(14,037)	(32,753)
+ Federal and State Income Tax	0	0	0
= Total Unit 1 Monthly Power Bill	5,653,038	1,695,912	3,957,127
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,574,988	472,496	1,102,492
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	0	0	0
- Unit 1 Interest Expense Deduction *	387,792	116,338	271,454
= Subtotal	1,187,196	356,158	831,038
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 1 Current Federal Income Tax	0	0	0
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	5,653,038	1,695,912	3,957,127
- Operation and Maintenance Expenses	2,243,851	673,156	1,570,696
- Depreciation Expense	1,889,739	566,922	1,322,817
- Taxes Other Than Federal Income Tax	(46,790)	(14,037)	(32,753)
- Unit 1 Interest Expense Deduction *	387,792	116,338	271,454
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	1,187,196	356,158	831,038
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	1,187,196	356,158	831,038
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(435,558)	(130,667)	(304,891)
+ Unit 1 Def Fed & State Income Taxes	0	0	0
= Total Unit 1 Fed&State Income Taxes	(435,558)	(130,667)	(304,891)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

ITERATION
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**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 December, 2019</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,103,248,250
4	- Accumulated Depreciation 780,558,500
5	+ Materials & Supplies 55,141,977
6	+ Prepayments 359,501
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (50,233,086)
10	+ Unamortized Debt Expense (A/C 181) 476,862
11	+ Deferred ASH pond cost (A/C182.3) 2,308,100
12	- Asset Retirement Obligation (A/C 230) 19,679,738
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 152,538,445
15	- Accumulated Deferred ITC 5,910,009
16	Total Net In-Service Investment 152,614,911
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 107,005,881
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 107,005,881
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 409,951
25	+ Fuel Inventory Over Allowed Level **** 4,156,681
26	Total Non-In-Service Investment - Other 5,600,732
27	Total Investment (Lines 16+21+26) 265,221,524
28	Operating Ratio (Line 16/Line 27) 57.5424%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 40.3459%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 2.1117%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 1 December, 2019</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	888,862,216
4	- Accumulated Depreciation	529,073,584
5	+ Materials & Supplies	29,649,329
6	+ Prepayments	179,750
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(8,199,380)
10	+ Unamortized Debt Expense (A/C 181)	238,431
11	+ Deferred ASH pond cost (A/C182.3)	1,154,050
12	- Asset Retirement Obligation (A/C 230)	9,839,869
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	140,590,707
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	----- 232,380,235 -----
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	214,386,034
19	- Accumulated Depreciation	251,484,916
20	+ Materials & Supplies	25,492,648
21	+ Prepayments	179,750
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(42,033,705)
25	+ Unamortized Debt Expense (A/C 181)	238,431
26	+ Deferred ASH pond cost (A/C182.3)	1,154,050
27	- Asset Retirement Obligation (A/C 230)	9,839,869
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	11,947,738
30	- Accumulated Deferred ITC	5,910,009
31	Total Unit 2 Net In-Service Investment	----- (79,765,324) -----
32	Total Net In-Service Investment	----- 152,614,911 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	152.2700%
35	Unit 2 (Line 31 / Line 32)	-52.2700%
		----- 100.0000% =====

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 December, 2019</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	173,627,740
6	- Temporary Cash Investments	34,348,782
7	Net Capitalization	----- 334,278,958 =====
8	40% of Net Capitalization	133,711,583
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	133,711,583
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,354,940
13	x Operating Ratio	57.5424%
14	x Net In-Service Investment Ratio	152.2700%
15	= Subtotal	1,187,196
16	Excess of Line 5 Over Line 8	39,916,157
17	x Weighted Cost of Debt (Monthly Rate)	0.1816%
18	= Return on Equity over 40% of Capitalization	72,488
19	x Operating Ratio	57.5424%
20	x Net In-Service Investment Ratio	152.2700%
21	= Subtotal	----- 63,514 =====
22	Unit 1 Return on Equity (Line 15 + Line 21)	1,250,710 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	416,415
25	+ Short-Term Debt Interest Expense (a/c 430)	16,047
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	62,366
28	= Net Interest Expense	----- 370,096 -----
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	370,096
31	x Operating Ratio	57.5424%
32	x Net In-Service Investment Ratio	152.2700%
33	= Unit 1 Return on Other Capital	----- 324,278 =====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 December, 2019</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Other Debt (Accts 132 thru 136 + 145) 34,348,782
5	Total Debt Balances (Prior Month Ending) 229,348,782
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 85.0233%
8	+ Short-Term Debt (STD bal/Total Debt bal) 0.0000%
9	+ Other Debt 14.9767%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 2.5143%
13	Short-Term Debt (avg Money Pool STD int rate) 2.0211%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.1378%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.1378%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

**Line
 No.**

December, 2019

1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	21,607,885
3	Fuel Stock Expenses - Undistributed (152)	736,047
4	Fuel Stock - Oil (151)	413,621
5	Plant Materials & Operating Supplies	6,891,776
6	Merchandise	0
7	Undistributed Stores Expense	0

8	Total Materials & Supplies	29,649,329
		=====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	21,607,885
11	+ Equivalent Inventory re: Deferred Return	0

12	= Imputed Coal Inventory	21,607,885

13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,724,065
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6177.1
16	= Tons Consumed per Hour	279.11
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6698.64
19	x 68 days	68
20	= 68 day Supply (Tons)	455,508
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	43.407

22	= 68 day Coal Inventory	19,772,236

23	Lesser of Imputed or Capped Coal Inventory	19,772,236

24	Imputed Inventory Minus Line 23	1,835,649
		=====
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	Deferred Inventory
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	9,524,185
29	- Current Month Recovery	0

30	= Ending Balance **	9,524,185
		=====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 December, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 December, 2019</u>
1	500,502-508	Steam Power Generation - Operation	741,968
2	501	Fuel - Operation	66,899
3	510-515	Steam Power Generating - Maintenance	1,204,558
4		Total Steam Power Generation Expenses	2,013,425
5	555-557	Other Power Supply Expenses	7,082
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	197,557
16	935	Administrative and General Expenses - Maintenance	25,787
17		Total Administrative & General Exp.	223,345
18		Total Operation & Maintenance Expenses	2,243,851

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>December, 2019</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,795,556
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	0
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,848,846
	7 411.10	ARO Accretion Expense	40,893
	8	Total Depreciation, Amortization & Accretion Expenses	1,889,739

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 December, 2019</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	153,210
2	409.1	State Income Taxes	(200,000)
3		Total Taxes Other than FIT	----- (46,790) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 December, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

UNIT 1
December, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	886,870,959
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	1,991,258
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	888,862,216
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	528,333,898
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	739,686
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	529,073,584
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	22,021,506
22	152	Fuel Stock Expenses - Undistributed	736,047
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,891,776
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	29,649,329
29	165	Prepayments	179,750
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>December, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	10,563,514
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(67,357)
9	234	Accounts Payable-Associated Company	(10,908,499)
10	236	Taxes Accrued	(5,823,985)
11	237	Interest Accrued	(777,594)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(1,185,460)
15		Total Other Working Capital	(8,199,380)
			=====
16	181	Unamortized Debt Expense	238,431
17	253	Other Deferred Credits	0

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 December, 2019</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	(84,251,461)
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	55,040,424
35	283	+Accumulated Deferred Income Taxes - Other	1,298,822
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 140,590,707
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0
40		Total Net In-Service Investment - Unit 1	----- 241,066,054 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

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**UNIT 1
 December, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	107,005,881
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 107,005,881 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	409,951
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 1,444,051 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 1
December, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	56,015,753
21		Total Retained Earnings	56,015,753
22		Total Common Equity	173,627,740
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

UNIT 1
December, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	195,000,000
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	0
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	34,348,782
44		Total Temporary Cash Investments	34,348,782
45		NET CAPITALIZATION	334,278,958

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

**UNIT 1
 December, 2019**

Line No.

1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	-
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	173,627,740
6	- Capitalization Offsets	34,348,782

7	Total Capitalization Balances	334,278,958
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	58.3345%
10	+ Short-Term Debt (STD/Total Capital)	0.0000%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	51.9410%
13	- Capitalization Offsets	10.2755%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	2.5143%
17	Short-Term Debt (avg money pool STD int rate)	2.0211%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	2.1378%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	1.4667%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	6.3160%
26	- Capitalization Offsets	0.2197%

27	Total Rate of Return (Net of Tax)	7.5630%
		=====
28	Weighted Net Cost of Debt	1.2470%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	7.9949%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	9.2419%
		=====

A E P GENERATING COMPANY		December, 2019
ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	188,748
501	FUEL	66,899
502	STEAM EXPENSES	252,465
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	82,692
506	MISC. STEAM POWER EXPENSES	218,063
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	808,867
510	MAINTENANCE SUPER. AND ENGINEERING	139,116
511	MAINTENANCE OF STRUCTURES	149,309
512	MAINTENANCE OF BOILER PLANT	663,800
513	MAINTENANCE OF ELECTRIC PLANT	165,079
514	MAINTENANCE OF MISC. STEAM PLANT	87,253
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	1,204,558
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	1,201
557	OTHER POWER SUPPLY EXPENSES	5,880
	TOTAL OTHER SUPPLY EXPENSES	7,082

IS FUEL IN BALANCE	AMOUNT MUST BE ZERO
ON PAGE 2	0

NO OF DAYS IN CURRENT MO	31
NO OF DAYS IN CURRENT YEAR	365
CURRENT YEAR IS	2019
CURRENT MONTH IS	12
THIS BILLING IS FOR MONTH OF	December, 2019

A E P GENERATING COMPANY

**December, 2019
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	10,193
921	OFFICE SUPPLIES AND EXPENSES	546
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	59,040
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	2,205
926	EMPLOYEE PENSIONS AND BENEFITS	43,123
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	7,426
931	RENTS	42,873
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	197,557
935	MAINTENANCE OF GENERAL PLANT	25,787
	TOTAL ADM & GEN EXPENSES	223,345
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	2,243,851
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	2,243,851
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - December, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF December, 2019
 KWH FOR THE MONTH

18,015,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(301,710)
Return on Other Capital	(78,226)
Total Return	----- (379,936)
Fuel	568,691
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	5,154,985
Depreciation Expense	2,276,189
Taxes Other Than Federal Income Tax	(35,243)
Federal Income Tax	214,200
TOTAL CURRENT UNIT POWER BILL	----- 7,792,761 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(132,647)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (132,647) -----

TOTAL UNIT POWER BILL

=====
 7,660,114
 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

7,091,422.83

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus	Kurt C Cooper - Ft Wayne
Dave Hille - Ft. Wayne	Shannon Listebarger - Columbus
Mike Stout - Ft. Wayne	
Mike Giardina - Columbus	
Sid Lyons - Columbus	Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - December, 2019**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF December, 2019
 KWH FOR THE MONTH

7,721,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(129,305)
Return on Other Capital	(33,525)
Total Return	(162,830)
Fuel	243,725
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,209,279
Depreciation Expense	975,510
Taxes Other Than Federal Income Tax	(15,105)
Federal Income Tax	91,800
TOTAL CURRENT UNIT POWER BILL	3,339,754

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(56,848)
TOTAL PRIOR MONTH'S ADJUSTMENTS	(56,848)

TOTAL UNIT POWER BILL

3,282,906

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

3,039,181.18

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus
 Dave Hille - Ft. Wayne
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus

Kurt C Cooper - Ft Wayne
 Shannon Listebarger - Columbus

Michelle Howell - Columbus

AEP GENERATING COMPANY
ROCKPORT POWER BILL
SUMMARY OF MONTHLY POWER BILL

ESTIMATE
Pg 2 of 18

December, 2019

19-May-20

	<u>TOTAL UNIT 2 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	(431,015)	(129,305)	(301,710)
Return on Other Capital	(111,751)	(33,525)	(78,226)
<hr style="border-top: 1px dashed black;"/>			
Total Return	(542,766)	(162,830)	(379,936)
+ Fuel	812,416	243,725	568,691
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	7,364,264	2,209,279	5,154,985
+ Depreciation Expense	3,251,699	975,510	2,276,189
+ Taxes Other Than Federal Income Tax	(50,348)	(15,105)	(35,243)
+ Federal and State Income Tax	0	0	0
<hr style="border-top: 1px dashed black;"/>			
= Total Unit 2 Monthly Power Bill	10,826,515	3,247,954	7,578,561
<hr style="border-top: 3px double black;"/>			
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(542,766)	(162,830)	(379,936)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(133,639)	(40,092)	(93,547)
<hr style="border-top: 1px dashed black;"/>			
= Subtotal	(409,127)	(122,738)	(286,389)
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 2 Current Federal Income Tax	0	0	0
+ Unit 2 Def Fed & State Income Taxes	0	0	0
<hr style="border-top: 1px dashed black;"/>			
= Total Unit 2 Fed&State Income Taxes	0	0	0
<hr style="border-top: 3px double black;"/>			
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	10,826,515	3,247,954	7,578,561
- Operation and Maintenance Expenses	8,176,680	2,453,004	5,723,676
- Depreciation Expense	3,251,699	975,510	2,276,189
- Taxes Other Than Federal Income Tax	(50,348)	(15,105)	(35,243)
- Unit 2 Interest Expense Deduction *	(133,639)	(40,092)	(93,547)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
<hr style="border-top: 1px dashed black;"/>			
= Pre-Tax Book Income	(409,127)	(122,738)	(286,389)
+ Unit 2 Schedule M Adjustments	0	0	0
<hr style="border-top: 1px dashed black;"/>			
= Unit 2 Taxable Income	(409,127)	(122,738)	(286,389)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	150,100	45,030	105,070
+ Unit 2 Def Fed & State Income Taxes	0	0	0
<hr style="border-top: 1px dashed black;"/>			
= Total Unit 2 Fed&State Income Taxes	150,100	45,030	105,070
<hr style="border-top: 3px double black;"/>			

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 2</u>	<u>December, 2019</u>
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,103,248,250
4	- Accumulated Depreciation	780,558,500
5	+ Materials & Supplies	55,141,977
6	+ Prepayments	359,501
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(50,233,086)
10	+ Unamortized Debt Expense (A/C 181)	476,862
11	+ Deferred ASH pond cost (A/C182.3)	2,308,100
12	- Asset Retirement Obligation (A/C 230)	19,679,738
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	152,538,445
15	- Accumulated Deferred ITC	5,910,009
16	Total Net In-Service Investment	----- 152,614,911
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	107,005,881
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 107,005,881
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	409,951
25	+ Fuel Inventory Over Allowed Level ****	4,156,681
26	Total Non-In-Service Investment - Other	----- 4,566,632
27	Total Investment (Lines 16+21+26)	----- 264,187,425 =====
28	Operating Ratio (Line 16/Line 27)	57.7677%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	40.5038%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	1.7285%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 2 December, 2019</u>
1	Net In-Service Investment Ratio:
2	<u>Unit 2 Net In-Service Investment:</u>
3	Electric Plant In-Service 214,386,034
4	- Accumulated Depreciation 251,484,916
5	+ Materials & Supplies 25,492,648
6	+ Prepayments 179,750
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital ** (42,033,705)
10	+ Unamortized Debt Expense (A/C 181) 238,431
11	+ Deferred ASH pond cost (A/C182.3) 1,154,050
12	- Asset Retirement Obligation (A/C 230) 9,839,869
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 11,947,738
15	- Accumulated Deferred ITC 5,910,009
16	Total Unit 2 Net In-Service Investment (79,765,324)
17	<u>Unit 1 Net In-Service Investment:</u>
18	Electric Plant In-Service 888,862,216
19	- Accumulated Depreciation 529,073,584
20	+ Materials & Supplies 29,649,329
21	+ Prepayments 179,750
22	+ Plant Held For Future Use (A/C 105) * 0
23	+ Other Deferred Debits (A/C 186) * 0
24	+ Other Working Capital ** (8,199,380)
25	+ Unamortized Debt Expense (A/C 181) 238,431
26	+ Deferred ASH pond cost (A/C182.3) 1,154,050
27	- Asset Retirement Obligation (A/C 230) 9,839,869
28	- Other Deferred Credits (A/C 253) 0
29	- Accumulated Deferred FIT 140,590,707
30	- Accumulated Deferred ITC 0
31	Total Unit 1 Net In-Service Investment 232,380,235
32	Total Net In-Service Investment 152,614,911
33	<u>Net In-Service Investment Ratio:</u>
34	Unit 2 (Line 16 / Line 32) -52.2700%
35	Unit 1 (Line 31 / Line 32) 152.2700%
	100.0000%
	* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 December, 2019</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	173,627,740
6	- Temporary Cash Investments	34,348,782

7	Net Capitalization	334,278,958
		=====
8	40% of Net Capitalization	133,711,583
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	133,711,583
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,354,940
13	x Operating Ratio	57.7677%
14	x Net In-Service Investment Ratio	-52.2700%
15	= Subtotal	(409,127)
16	Excess of Line 5 Over Line 8	39,916,157
17	x Weighted Cost of Debt (Monthly Rate)	0.1816%
18	= Return on Equity over 40% of Capitalization	72,488
19	x Operating Ratio	57.7677%
20	x Net In-Service Investment Ratio	-52.2700%
21	= Subtotal	(21,888)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(431,015)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	416,415
25	+ Short-Term Debt Interest Expense (a/c 430)	16,047
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	62,366

28	= Net Interest Expense	370,096
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	370,096
31	x Operating Ratio	57.7677%
32	x Net In-Service Investment Ratio	-52.2700%
33	= Unit 2 Return on Other Capital	(111,751)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>		<u>UNIT 2 December, 2019</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	34,348,782

5	Total Debt Balances (Prior Month Ending)	229,348,782
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	85.0233%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	14.9767%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.5143%
13	Short-Term Debt (avg Money Pool STD int rate)	2.0211%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.1378%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.1378%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>December, 2019</u>
1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,451,204
3	Fuel Stock Expenses - Undistributed (152)	736,047
4	Fuel Stock - Oil (151)	413,621
5	Plant Materials & Operating Supplies	6,891,776
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	25,492,648 =====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	21,607,885
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	21,607,885 -----
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,662,054
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	6383.4
16	= Tons Consumed per Hour	260.37
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	6248.88
19	x 68 days	68
20	= 68 day Supply (Tons)	424,924
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	43.407
22	= 68 day Coal Inventory	18,444,676 -----
23	Lesser of Imputed or Capped Coal Inventory	18,444,676 -----
24	Imputed Inventory Minus Line 23	3,163,209 =====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	Deferred Invent
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	0 ----- =====
	* Excludes Forced Outages,Scheduled Outages,and Curtailments	
	** May Not Be Less Than Zero	
	Total Unit 2 Monthly Power Bill with Actual	0
	Total Unit 2 Monthly Power Bill with 68 Day Capped	0
	Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 December, 2019</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 December, 2019</u>
1	500,502-508	Steam Power Generation - Operation	6,620,580
2	501	Fuel - Operation	812,416
3	510-515	Steam Power Generating - Maintenance	515,087
4		Total Steam Power Generation Expenses	7,948,083
5	555-557	Other Power Supply Expenses	7,082
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expennse - Maintenance	0
11		Total Distribution Expennse	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	195,728
16	935	Administrative and General Expenses - Maintenance	25,787
17		Total Administrative & General Exp.	221,516
18		Total Operation & Maintenance Expenses	8,176,680

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

Pg 10 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 December, 2019</u>
1	403	Depreciation Expense *	2,414,280
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	743,236
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,210,806 =
7	411.10	ARO Accretion Expense	40,893
8		Total Depreciation, Amortization & Accretion Expenses	3,251,699

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>December, 2019</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	149,652
2	409.1	State Income Taxes	(200,000)
3		Total Taxes Other than Federal Income Taxes	----- (50,348) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 December, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

**UNIT 2
December, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	213,854,439
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	531,595
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 214,386,034
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	186,455,264
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	65,029,652
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 251,484,916
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,864,825
22	152	Fuel Stock Expenses - Undistributed	736,047
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,891,776
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 25,492,648
29	165	Prepayments	----- 179,750
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 December, 2019</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	10,885,339
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(67,357)
9	234	Accounts Payable-Associated Company	(10,848,497)
10	236	Taxes Accrued	(3,443,562)
11	237	Interest Accrued	(777,594)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(37,782,035)
15		Total Other Working Capital	(42,033,705)
			=====
16	181	Unamortized Debt Expense	238,431
17	253	Other Deferred Credits	0

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

Pg 14 of 18

**UNIT 2
 December, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	140,385,602
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	151,149,389
35	283	+Accumulated Deferred Income Taxes - Other	1,183,951
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 11,947,738
37	255	+Accumulated Deferred Investment Tax Credits	5,910,009
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 5,910,009
40		Total Net In-Service Investment - Unit 2	----- (71,079,505) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

Pg 15 of 18

UNIT 2
December, 2019

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	107,005,881
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 107,005,881 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	409,951
20	151.10	Fuel Inventory Over Allowed Level *	4,156,681
21		Total Non-In-Service Investment - Other	----- 4,566,632 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	4,156,681
		TOTAL	----- 4,156,681 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 2
December, 2019**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000 -----
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987 -----
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	56,015,753
21		Total Retained Earnings	----- 56,015,753 -----
22		Total Common Equity	----- 173,627,740 -----
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0 -----

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

UNIT 2
December, 2019

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	34,348,782
44		Total Temporary Cash Investments	----- 34,348,782 -----
45		NET CAPITALIZATION	----- 334,278,958 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>December, 2019</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 173,627,740
6	- Capitalization Offsets 34,348,782
7	Total Capitalization Balances 334,278,958
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 58.3345%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 51.9410%
13	- Capitalization Offsets 10.2755%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.5143%
17	Short-Term Debt (avg money pool STD int rate) 2.0211%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.1378%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.4667%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 6.3160%
26	- Capitalization Offsets 0.2197%
27	Total Rate of Return (Net of Tax) 7.5630%
28	Weighted Net Cost of Debt 1.2470%
29	(LTD Rate of Return + STD RR - Cap Offsets RR) + Pre-Tax Common Equity (Line 25 / .79) 7.9949%
30	(Common Equity Rate of Return grossed up for tax) = Rate of Return (Pre-Tax) 9.2419%

A E P GENERATING COMPANY		December, 2019
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	180,708
501	FUEL	812,416
502	STEAM EXPENSES	454,117
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	98,109
506	MISC. STEAM POWER EXPENSES	275,978
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	7,432,996
510	MAINTENANCE SUPER. AND ENGINEERING	138,376
511	MAINTENANCE OF STRUCTURES	8,676
512	MAINTENANCE OF BOILER PLANT	298,184
513	MAINTENANCE OF ELECTRIC PLANT	41,509
514	MAINTENANCE OF MISC. STEAM PLANT	28,342
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	515,087
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	1,201
557	OTHER POWER SUPPLY EXPENSES	5,880
	TOTAL OTHER SUPPLY EXPENSES	7,082

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO	>	31
NO OF DAYS IN CURRENT YEAR	>	365
CURRENT YEAR IS		2019
CURRENT MONTH IS		12
THIS BILLING IS FOR MONTH OF		December, 2019

A E P GENERATING COMPANY

**December, 2019
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	20,541
921	OFFICE SUPPLIES AND EXPENSES	584
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	60,198
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	2,205
926	EMPLOYEE PENSIONS AND BENEFITS	43,123
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	7,426
931	RENTS	29,500
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	195,728
935	MAINTENANCE OF GENERAL PLANT	25,787
	TOTAL ADM & GEN EXPENSES	221,516
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	8,176,680
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	8,176,680
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - January, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF January, 2020
 KWH FOR THE MONTH

10,668,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	361,194
Return on Other Capital	103,115
Total Return	----- 464,309
Fuel	446,830
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	462,270
Depreciation Expense	567,871
Taxes Other Than Federal Income Tax	86,896
Federal Income Tax	(36,000)
TOTAL CURRENT UNIT POWER BILL	----- 1,989,551 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	771

TOTAL PRIOR MONTH'S ADJUSTMENTS -----
771

=====

TOTAL UNIT POWER BILL 1,990,322

=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

1,543,491.86

DUE DATE - - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA,COLUMBUS,OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - January, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF January, 2020
 KWH FOR THE MONTH

24,893,000

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	842,787
Return on Other Capital	240,601
Total Return	1,083,388
Fuel	1,042,603
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	1,078,629
Depreciation Expense	1,325,032
Taxes Other Than Federal Income Tax	202,757
Federal Income Tax	(84,000)
TOTAL UNIT POWER BILL	4,642,283

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	1,798

TOTAL PRIOR MONTH'S ADJUSTMENTS 1,798

TOTAL UNIT POWER BILL 4,644,082

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

January, 2020

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,203,981	361,194	842,787
Return on Other Capital	343,716	103,115	240,601
Total Return	1,547,697	464,309	1,083,388
+ Fuel	1,489,433	446,830	1,042,603
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	1,540,899	462,270	1,078,629
+ Depreciation Expense	1,892,903	567,871	1,325,032
+ Taxes Other Than Federal Income Tax	289,653	86,896	202,757
+ Federal and State Income Tax	0	0	0
= Total Unit 1 Monthly Power Bill	6,751,834	2,025,551	4,726,283
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,547,697	464,309	1,083,388
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	-	-	-
- Unit 1 Interest Expense Deduction *	389,035	116,711	272,324
= Subtotal	1,158,662	347,598	811,064
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 1 Current Federal Income Tax	0	0	0
+ Unit 1 Def Fed & State Income Taxes	-	0	0
= Total Unit 1 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	6,751,834	2,025,551	4,726,283
- Operation and Maintenance Expenses	3,030,332	909,100	2,121,232
- Depreciation Expense	1,892,903	567,871	1,325,032
- Taxes Other Than Federal Income Tax	289,653	86,896	202,757
- Unit 1 Interest Expense Deduction *	389,035	116,711	272,324
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	1,158,662	347,598	811,064
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	1,158,662	347,598	811,064
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(425,090)	(127,527)	(297,563)
+ Unit 1 Def Fed & State Income Taxes	-	0	0
= Total Unit 1 Fed&State Income Taxes	(425,090)	(127,527)	(297,563)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

ITERATION
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**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 January, 2020</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,105,990,510
4	- Accumulated Depreciation 785,006,952
5	+ Materials & Supplies 60,747,558
6	+ Prepayments 304,048
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (17,974,008)
10	+ Unamortized Debt Expense (A/C 181) 462,054
11	+ Deferred ASH pond cost (A/C182.3) 2,300,276
12	- Asset Retirement Obligation (A/C 230) 19,756,675
13	- Other Deferred Credits (A/C 253) 10
14	- Accumulated Deferred FIT 153,793,017
15	- Accumulated Deferred ITC 5,745,844
16	Total Net In-Service Investment 187,527,941
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 108,241,457
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 108,241,457
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 163,459
25	+ Fuel Inventory Over Allowed Level **** 10,366,429
26	Total Non-In-Service Investment - Other 11,563,988
27	Total Investment (Lines 16+21+26) 307,333,386
28	Operating Ratio (Line 16/Line 27) 61.0178%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 35.2196%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 3.7626%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 1 January, 2020</u>
1	<u>Net In-Service Investment Ratio:</u>
2	Unit 1 Net In-Service Investment:
3	Electric Plant In-Service 890,270,023
4	- Accumulated Depreciation 530,000,422
5	+ Materials & Supplies 35,005,631
6	+ Prepayments 152,024
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital ** (10,226,497)
10	+ Unamortized Debt Expense (A/C 181) 231,027
11	+ Deferred ASH pond cost (A/C182.3) 1,150,138
12	- Asset Retirement Obligation (A/C 230) 9,878,337
13	- Other Deferred Credits (A/C 253) 5
14	- Accumulated Deferred FIT 140,403,917
15	- Accumulated Deferred ITC 0
16	Total Unit 1 Net In-Service Investment 236,299,665
17	Unit 2 Net In-Service Investment:
18	Electric Plant In-Service 215,720,486
19	- Accumulated Depreciation 255,006,530
20	+ Materials & Supplies 25,741,927
21	+ Prepayments 152,024
22	+ Plant Held For Future Use (A/C 105) * 0
23	+ Other Deferred Debits (A/C 186) * 0
24	+ Other Working Capital ** (7,747,511)
25	+ Unamortized Debt Expense (A/C 181) 231,027
26	+ Deferred ASH pond cost (A/C182.3) 1,150,138
27	- Asset Retirement Obligation (A/C 230) 9,878,337
28	- Other Deferred Credits (A/C 253) 5
29	- Accumulated Deferred FIT 13,389,099
30	- Accumulated Deferred ITC 5,745,844
31	Total Unit 2 Net In-Service Investment (48,771,724)
32	Total Net In-Service Investment 187,527,941
33	<u>Net In-Service Investment Ratio:</u>
34	Unit 1 (Line 16 / Line 32) 126.0100%
35	Unit 2 (Line 31 / Line 32) -26.0100%
	100.0000%

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
 COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 January, 2020</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	175,551,623
6	- Temporary Cash Investments	(1,227,033)
7	Net Capitalization	----- 371,778,656 =====
8	40% of Net Capitalization	148,711,462
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	148,711,462
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,506,938
13	x Operating Ratio	61.0178%
14	x Net In-Service Investment Ratio	126.0100%
15	= Subtotal	1,158,662
16	Excess of Line 5 Over Line 8	26,840,161
17	x Weighted Cost of Debt (Monthly Rate)	0.2196%
18	= Return on Equity over 40% of Capitalization	58,941
19	x Operating Ratio	61.0178%
20	x Net In-Service Investment Ratio	126.0100%
21	= Subtotal	----- 45,319 =====
22	Unit 1 Return on Equity (Line 15 + Line 21)	----- 1,203,981 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	425,609
25	+ Short-Term Debt Interest Expense (a/c 430)	18,727
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	(2,695)
28	= Net Interest Expense	----- 447,031 -----
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	447,031
31	x Operating Ratio	61.0178%
32	x Net In-Service Investment Ratio	126.0100%
33	= Unit 1 Return on Other Capital	----- 343,716 =====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 January, 2020</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Other Debt (Accts 132 thru 136 + 145) (1,227,033)
5	Total Debt Balances (Prior Month Ending) 193,772,967
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 100.6332%
8	+ Short-Term Debt (STD bal/Total Debt bal) 0.0000%
9	+ Other Debt -0.6332%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 2.5769%
13	Short-Term Debt (avg Money Pool STD int rate) 1.9883%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.5932%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.5932%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

January, 2020

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	26,714,908
3	Fuel Stock Expenses - Undistributed (152)	1,005,753
4	Fuel Stock - Oil (151)	381,606
5	Plant Materials & Operating Supplies	6,903,363
6	Merchandise	0
7	Undistributed Stores Expense	0

8	Total Materials & Supplies	35,005,631
		=====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	26,714,908
11	+ Equivalent Inventory re: Deferred Return	0

12	= Imputed Coal Inventory	26,714,908

13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,132,941
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	4710.0
16	= Tons Consumed per Hour	240.54
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	5772.96
19	x 68 days	68
20	= 68 day Supply (Tons)	392,561
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	42.986

22	= 68 day Coal Inventory	16,874,627

23	Lesser of Imputed or Capped Coal Inventory	16,874,627

24	Imputed Inventory Minus Line 23	9,840,281
		=====
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	Deferred Inventory
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	4,768,363
29	- Current Month Recovery	0

30	= Ending Balance **	4,768,363
		=====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 January, 2020</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 January, 2020</u>
1	500,502-508	Steam Power Generation - Operation	657,150
2	501	Fuel - Operation	1,489,433
3	510-515	Steam Power Generating - Maintenance	698,257
4		Total Steam Power Generation Expenses	2,844,839
5	555-557	Other Power Supply Expenses	(1,846)
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	161,259
16	935	Administrative and General Expenses - Maintenance	26,080
17		Total Administrative & General Exp.	187,339
18		Total Operation & Maintenance Expenses	3,030,332

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>January, 2020</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,798,051
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	517
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,851,858
	7 411.10	ARO Accretion Expense	41,044
	8	Total Depreciation, Amortization & Accretion Expenses	1,892,903

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>January, 2020</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	170,251
2	409.1	State Income Taxes	119,402
3		Total Taxes Other than FIT	----- 289,653 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	-	-	-
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	-	-	-

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

**UNIT 1
January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	886,437,127
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	3,832,896
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	890,270,023
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	529,326,987
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	673,435
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	530,000,422
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	27,096,515
22	152	Fuel Stock Expenses - Undistributed	1,005,753
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,903,363
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	35,005,631
29	165	Prepayments	152,024
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>January, 2020</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	7,449,367
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(109,965)
9	234	Accounts Payable-Associated Company	(9,052,867)
10	236	Taxes Accrued	(6,502,779)
11	237	Interest Accrued	(822,055)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(1,188,199)
15		Total Other Working Capital	(10,226,497)
			=====
16	181	Unamortized Debt Expense	231,027
17	253	Other Deferred Credits	5

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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**UNIT 1
January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	(84,878,320)
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	54,249,758
35	283	+Accumulated Deferred Income Taxes - Other	1,275,840
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 140,403,917 -----
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0 -----
40		Total Net In-Service Investment - Unit 1	----- 245,027,864 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

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**UNIT 1
 January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	108,241,457
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 108,241,457 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	163,459
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 1,197,559 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 1
January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	57,939,636
21		Total Retained Earnings	57,939,636
22		Total Common Equity	175,551,623
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

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**UNIT 1
January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	195,000,000
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	0
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	(1,227,033)
44		Total Temporary Cash Investments	(1,227,033)
45		NET CAPITALIZATION	371,778,656

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

Page 18 of 18

**UNIT 1
January, 2020**

Line No.

1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	-
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	175,551,623
6	- Capitalization Offsets	(1,227,033)

7	Total Capitalization Balances	371,778,656
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	52.4506%
10	+ Short-Term Debt (STD/Total Capital)	0.0000%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	47.2194%
13	- Capitalization Offsets	-0.3300%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	2.5769%
17	Short-Term Debt (avg money pool STD int rate)	1.9883%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	2.5932%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	1.3516%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	5.7419%
26	- Capitalization Offsets	-0.0086%

27	Total Rate of Return (Net of Tax)	7.1021%
		=====
28	Weighted Net Cost of Debt	1.3602%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	7.2682%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	8.6284%
		=====

A E P GENERATING COMPANY		January, 2020
ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	197,900
501	FUEL	1,489,433
502	STEAM EXPENSES	171,437
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	90,174
506	MISC. STEAM POWER EXPENSES	197,639
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	2,146,583
510	MAINTENANCE SUPER. AND ENGINEERING	131,776
511	MAINTENANCE OF STRUCTURES	28,823
512	MAINTENANCE OF BOILER PLANT	417,076
513	MAINTENANCE OF ELECTRIC PLANT	91,832
514	MAINTENANCE OF MISC. STEAM PLANT	28,750
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	698,257
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	(1,367)
557	OTHER POWER SUPPLY EXPENSES	(479)
	TOTAL OTHER SUPPLY EXPENSES	(1,846)

IS FUEL IN BALANCE	AMOUNT MUST BE ZERO
ON PAGE 2	0

NO OF DAYS IN CURRENT MO	31
NO OF DAYS IN CURRENT YEAR	366
CURRENT YEAR IS	2020
CURRENT MONTH IS	1
THIS BILLING IS FOR MONTH OF	January, 2020

A E P GENERATING COMPANY

**January, 2020
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	4,803
921	OFFICE SUPPLIES AND EXPENSES	8,582
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	40,880
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	6,372
926	EMPLOYEE PENSIONS AND BENEFITS	19,566
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	44,841
931	RENTS	4,063
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	161,259
935	MAINTENANCE OF GENERAL PLANT	26,080
	TOTAL ADM & GEN EXPENSES	187,339
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	3,030,332
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	3,030,332
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - January, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF January, 2020
 KWH FOR THE MONTH 0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	(174,548)
Return on Other Capital	(49,831)
Total Return	----- (224,379)
Fuel	35,056
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	4,742,262
Depreciation Expense	2,258,933
Taxes Other Than Federal Income Tax	200,185
Federal Income Tax	(84,000)
TOTAL CURRENT UNIT POWER BILL	----- 6,921,932 -----
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	1,798
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- 1,798 -----
TOTAL UNIT POWER BILL	=====
	6,923,730
	=====
AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.	6,888,674.25

DUE DATE - - Payment Date
 Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - January, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF January, 2020
 KWH FOR THE MONTH 0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	(74,807)
Return on Other Capital	(21,356)
Total Return	----- (96,163)
Fuel	15,024
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,032,398
Depreciation Expense	968,114
Taxes Other Than Federal Income Tax	85,793
Federal Income Tax	(36,000)
TOTAL CURRENT UNIT POWER BILL	----- 2,966,541 =====
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	771
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- 771 -----
TOTAL UNIT POWER BILL	----- 2,967,312 =====
AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.	2,952,287.86

DUE DATE - - Payment Date

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

January, 2020

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(249,355)	(74,807)	(174,548)
Return on Other Capital	(71,187)	(21,356)	(49,831)
Total Return	(320,542)	(96,163)	(224,379)
+ Fuel	50,080	15,024	35,056
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	6,774,660	2,032,398	4,742,262
+ Depreciation Expense	3,227,047	968,114	2,258,933
+ Taxes Other Than Federal Income Tax	285,978	85,793	200,185
+ Federal and State Income Tax	0	0	0
= Total Unit 2 Monthly Power Bill	10,008,473	3,002,541	7,005,932
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(320,542)	(96,163)	(224,379)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(80,573)	(24,172)	(56,401)
= Subtotal	(239,969)	(71,991)	(167,978)
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 2 Current Federal Income Tax	0	0	0
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	10,008,473	3,002,541	7,005,932
- Operation and Maintenance Expenses	6,824,740	2,047,422	4,777,318
- Depreciation Expense	3,227,047	968,114	2,258,933
- Taxes Other Than Federal Income Tax	285,978	85,793	200,185
- Unit 2 Interest Expense Deduction *	(80,573)	(24,172)	(56,401)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(239,969)	(71,991)	(167,978)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(239,969)	(71,991)	(167,978)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	88,040	26,412	61,628
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	88,040	26,412	61,628

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 2 January, 2020</u>
1	Operating Ratio:
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,105,990,510
4	- Accumulated Depreciation 785,006,952
5	+ Materials & Supplies 60,747,558
6	+ Prepayments 304,048
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (17,974,008)
10	+ Unamortized Debt Expense (A/C 181) 462,054
11	+ Deferred ASH pond cost (A/C182.3) 2,300,276
12	- Asset Retirement Obligation (A/C 230) 19,756,675
13	- Other Deferred Credits (A/C 253) 10
14	- Accumulated Deferred FIT 153,793,017
15	- Accumulated Deferred ITC 5,745,844
16	Total Net In-Service Investment 187,527,941
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 108,241,457
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 108,241,457
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 0
24	+ Other Deferred Debits (A/C 186) ** 163,459
25	+ Fuel Inventory Over Allowed Level **** 10,366,429
26	Total Non-In-Service Investment - Other 10,529,888
27	Total Investment (Lines 16+21+26) 306,299,286
28	Operating Ratio (Line 16/Line 27) 61.2238%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 35.3385%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 3.4377%
31	Total Investment 100.0000%
	* As Permitted By FERC
	** Excluding Amounts on Lines 7 and 8
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242
	**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 2 January, 2020</u>	
1	Net In-Service Investment Ratio:	
2	<u>Unit 2 Net In-Service Investment:</u>	
3	Electric Plant In-Service	215,720,486
4	- Accumulated Depreciation	255,006,530
5	+ Materials & Supplies	25,741,927
6	+ Prepayments	152,024
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(7,747,511)
10	+ Unamortized Debt Expense (A/C 181)	231,027
11	+ Deferred ASH pond cost (A/C182.3)	1,150,138
12	- Asset Retirement Obligation (A/C 230)	9,878,337
13	- Other Deferred Credits (A/C 253)	5
14	- Accumulated Deferred FIT	13,389,099
15	- Accumulated Deferred ITC	5,745,844
16	Total Unit 2 Net In-Service Investment	----- (48,771,724) -----
17	<u>Unit 1 Net In-Service Investment:</u>	
18	Electric Plant In-Service	890,270,023
19	- Accumulated Depreciation	530,000,422
20	+ Materials & Supplies	35,005,631
21	+ Prepayments	152,024
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(10,226,497)
25	+ Unamortized Debt Expense (A/C 181)	231,027
26	+ Deferred ASH pond cost (A/C182.3)	1,150,138
27	- Asset Retirement Obligation (A/C 230)	9,878,337
28	- Other Deferred Credits (A/C 253)	5
29	- Accumulated Deferred FIT	140,403,917
30	- Accumulated Deferred ITC	0
31	Total Unit 1 Net In-Service Investment	----- 236,299,665 -----
32	Total Net In-Service Investment	----- 187,527,941 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 2 (Line 16 / Line 32)	-26.0100%
35	Unit 1 (Line 31 / Line 32)	126.0100%
		----- 100.0000% =====
	* As Permitted By FERC	=====

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 January, 2020</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	175,551,623
6	- Temporary Cash Investments	(1,227,033)

7	Net Capitalization	371,778,656
		=====
8	40% of Net Capitalization	148,711,462
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	148,711,462
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,506,938
13	x Operating Ratio	61.2238%
14	x Net In-Service Investment Ratio	-26.0100%
15	= Subtotal	(239,969)
16	Excess of Line 5 Over Line 8	26,840,161
17	x Weighted Cost of Debt (Monthly Rate)	0.2196%
18	= Return on Equity over 40% of Capitalization	58,941
19	x Operating Ratio	61.2238%
20	x Net In-Service Investment Ratio	-26.0100%
21	= Subtotal	(9,386)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(249,355)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	425,609
25	+ Short-Term Debt Interest Expense (a/c 430)	18,727
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	(2,695)

28	= Net Interest Expense	447,031
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	447,031
31	x Operating Ratio	61.2238%
32	x Net In-Service Investment Ratio	-26.0100%
33	= Unit 2 Return on Other Capital	(71,187)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 6 of 18
DETERMINATION OF WEIGHTED COST OF DEBT

<u>Line No.</u>		<u>UNIT 2 January, 2020</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	(1,227,033)

5	Total Debt Balances (Prior Month Ending)	193,772,967
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	100.6332%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	-0.6332%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.5769%
13	Short-Term Debt (avg Money Pool STD int rate)	1.9883%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.5932%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.5932%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>January, 2020</u>
1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,451,204
3	Fuel Stock Expenses - Undistributed (152)	1,005,753
4	Fuel Stock - Oil (151)	381,606
5	Plant Materials & Operating Supplies	6,903,363
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	----- 25,741,927 =====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	26,714,908
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	----- 26,714,908 -----
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,163,326
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	4992.0
16	= Tons Consumed per Hour	233.04
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	5592.96
19	x 68 days	68
20	= 68 day Supply (Tons)	380,321
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	42.986
22	= 68 day Coal Inventory	----- 16,348,479 -----
23	Lesser of Imputed or Capped Coal Inventory	----- 16,348,479 -----
24	Imputed Inventory Minus Line 23	----- 10,366,429 =====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	Deferred Invent
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	----- 0 =====
	* Excludes Forced Outages,Scheduled Outages,and Curtailments	
	** May Not Be Less Than Zero	
	Total Unit 2 Monthly Power Bill with Actual	0
	Total Unit 2 Monthly Power Bill with 68 Day Capped	0
	Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 January, 2020</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 January, 2020</u>
1	500,502-508	Steam Power Generation - Operation	6,121,979
2	501	Fuel - Operation	50,080
3	510-515	Steam Power Generating - Maintenance	418,138
4		Total Steam Power Generation Expenses	6,590,197
5	555-557	Other Power Supply Expenses	(1,846)
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expennse - Maintenance	0
11		Total Distribution Expennse	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	210,310
16	935	Administrative and General Expenses - Maintenance	26,080
17		Total Administrative & General Exp.	236,390
18		Total Operation & Maintenance Expenses	6,824,740

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 January, 2020</u>
1	403	Depreciation Expense *	2,416,371
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	716,342
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,186,003 =
7	411.10	ARO Accretion Expense	41,044
8		Total Depreciation, Amortization & Accretion Expenses	3,227,047

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>January, 2020</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	166,576
2	409.1	State Income Taxes	119,402
3		Total Taxes Other than Federal Income Taxes	----- 285,978 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

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**UNIT 2
January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	213,735,831
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	1,984,655
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 215,720,486
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	189,308,572
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	65,697,958
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 255,006,530
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,832,810
22	152	Fuel Stock Expenses - Undistributed	1,005,753
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,903,363
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 25,741,927
29	165	Prepayments	----- 152,024
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 January, 2020</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	7,771,192
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(109,965)
9	234	Accounts Payable-Associated Company	(8,992,865)
10	236	Taxes Accrued	(4,122,355)
11	237	Interest Accrued	(822,054)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(1,471,463)
15		Total Other Working Capital	(7,747,511)
			=====
16	181	Unamortized Debt Expense	231,027
17	253	Other Deferred Credits	5

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

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**UNIT 2
 January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	139,711,924
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	151,940,056
35	283	+Accumulated Deferred Income Taxes - Other	1,160,968
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 13,389,099
37	255	+Accumulated Deferred Investment Tax Credits	5,745,844
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 5,745,844
40		Total Net In-Service Investment - Unit 2	----- (40,043,525) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL**

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DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 January, 2020</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	108,241,457
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 108,241,457 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	163,459
20	151.10	Fuel Inventory Over Allowed Level *	10,366,429
21		Total Non-In-Service Investment - Other	----- 10,529,888 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	10,366,429
		TOTAL	----- 10,366,429 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 2
January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000 -----
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987 -----
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	57,939,636
21		Total Retained Earnings	----- 57,939,636 -----
22		Total Common Equity	----- 175,551,623 -----
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0 -----

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

**UNIT 2
January, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	(1,227,033)
44		Total Temporary Cash Investments	----- (1,227,033) -----
45		NET CAPITALIZATION	----- 371,778,656 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>January, 2020</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 175,551,623
6	- Capitalization Offsets (1,227,033)
7	Total Capitalization Balances 371,778,656
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 52.4506%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 47.2194%
13	- Capitalization Offsets -0.3300%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.5769%
17	Short-Term Debt (avg money pool STD int rate) 1.9883%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.5932%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.3516%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 5.7419%
26	- Capitalization Offsets -0.0086%
27	Total Rate of Return (Net of Tax) 7.1021%
28	Weighted Net Cost of Debt 1.3602%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 7.2682%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 8.6284%

A E P GENERATING COMPANY		January, 2020
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	192,012
501	FUEL	50,080
502	STEAM EXPENSES	72,240
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	37,829
506	MISC. STEAM POWER EXPENSES	208,230
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	6,172,059
510	MAINTENANCE SUPER. AND ENGINEERING	129,467
511	MAINTENANCE OF STRUCTURES	12,035
512	MAINTENANCE OF BOILER PLANT	198,241
513	MAINTENANCE OF ELECTRIC PLANT	51,823
514	MAINTENANCE OF MISC. STEAM PLANT	26,572
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	418,138
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	(1,367)
557	OTHER POWER SUPPLY EXPENSES	(479)
	TOTAL OTHER SUPPLY EXPENSES	(1,846)

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO >	31
NO OF DAYS IN CURRENT YEAR >	366
CURRENT YEAR IS	2020
CURRENT MONTH IS	1
THIS BILLING IS FOR MONTH OF	January, 2020

A E P GENERATING COMPANY

**January, 2020
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	13,025
921	OFFICE SUPPLIES AND EXPENSES	8,611
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	84,718
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	6,372
926	EMPLOYEE PENSIONS AND BENEFITS	19,566
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	44,841
931	RENTS	1,027
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	210,310
935	MAINTENANCE OF GENERAL PLANT	26,080
	TOTAL ADM & GEN EXPENSES	236,390
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	6,824,740
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	6,824,740
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - February, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF February, 2020
 KWH FOR THE MONTH

31,166,262

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	363,170
Return on Other Capital	89,604
Total Return	----- 452,774
Fuel	948,602
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	444,084
Depreciation Expense	568,996
Taxes Other Than Federal Income Tax	45,766
Federal Income Tax	(34,134)
TOTAL CURRENT UNIT POWER BILL	----- 2,423,463 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(39,450)

TOTAL PRIOR MONTH'S ADJUSTMENTS -----
 (39,450)

=====

TOTAL UNIT POWER BILL 2,384,013

=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

1,435,410.59

DUE DATE - - - January 20, 1900

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA,COLUMBUS,OH 43215
TELEPHONE (614) 716-3724

INDIANA MICHIGAN POWER COMPANY
P. O. BOX 60
FORT WAYNE, IN 46801

ESTIMATE
19-May-20

UNIT 1
POWER BILL - - February, 2020

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF February, 2020
 KWH FOR THE MONTH

72,721,282

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	847,397
Return on Other Capital	209,076
Total Return	1,056,473
Fuel	2,213,406
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	1,036,196
Depreciation Expense	1,327,657
Taxes Other Than Federal Income Tax	106,788
Federal Income Tax	(79,646)
TOTAL UNIT POWER BILL	5,654,749

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	(92,050)

TOTAL PRIOR MONTH'S ADJUSTMENTS

(92,050)

TOTAL UNIT POWER BILL

5,562,700

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

3,349,293.93

DUE DATE - - - January 20, 1900

Cc: Steve Hornyak - Columbus	Kurt C Cooper - Ft Wayne
Dave Hille - Ft. Wayne	Shannon Listebarger - Columbus
Mike Stout - Ft. Wayne	
Mike Giardina - Columbus	Kevin Amburgey-Columbus
Sid Lyons - Columbus	Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

February, 2020

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,210,567	363,170	847,397
Return on Other Capital	298,680	89,604	209,076
Total Return	1,509,247	452,774	1,056,473
+ Fuel	3,162,008	948,602	2,213,406
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	1,480,280	444,084	1,036,196
+ Depreciation Expense	1,896,653	568,996	1,327,657
+ Taxes Other Than Federal Income Tax	152,554	45,766	106,788
+ Federal and State Income Tax	0	0	0
= Total Unit 1 Monthly Power Bill	8,191,993	2,457,597	5,734,395
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,509,247	452,774	1,056,473
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	-	-	-
- Unit 1 Interest Expense Deduction *	338,484	101,545	236,939
= Subtotal	1,170,763	351,229	819,534
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 1 Current Federal Income Tax	0	0	0
+ Unit 1 Def Fed & State Income Taxes	-	0	0
= Total Unit 1 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	8,191,993	2,457,597	5,734,395
- Operation and Maintenance Expenses	4,642,288	1,392,686	3,249,602
- Depreciation Expense	1,896,653	568,996	1,327,657
- Taxes Other Than Federal Income Tax	152,554	45,766	106,788
- Unit 1 Interest Expense Deduction *	338,484	101,545	236,939
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	1,170,763	351,229	819,534
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	1,170,763	351,229	819,534
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(429,530)	(128,859)	(300,671)
+ Unit 1 Def Fed & State Income Taxes	-	0	0
= Total Unit 1 Fed&State Income Taxes	(429,530)	(128,859)	(300,671)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

ITERATION
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**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 February, 2020</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,107,609,763
4	- Accumulated Depreciation 789,760,733
5	+ Materials & Supplies 63,647,321
6	+ Prepayments 248,595
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (18,985,893)
10	+ Unamortized Debt Expense (A/C 181) 447,247
11	+ Deferred ASH pond cost (A/C182.3) 2,292,452
12	- Asset Retirement Obligation (A/C 230) 19,833,593
13	- Other Deferred Credits (A/C 253) 10
14	- Accumulated Deferred FIT 153,793,017
15	- Accumulated Deferred ITC 5,745,844
16	Total Net In-Service Investment 186,126,288
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 109,213,056
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 109,213,056
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 2,924,487
25	+ Fuel Inventory Over Allowed Level **** 12,186,397
26	Total Non-In-Service Investment - Other 16,144,984
27	Total Investment (Lines 16+21+26) 311,484,327
28	Operating Ratio (Line 16/Line 27) 59.7546%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 35.0621%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 5.1833%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 1 February, 2020</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	891,862,575
4	- Accumulated Depreciation	531,798,648
5	+ Materials & Supplies	37,639,708
6	+ Prepayments	124,297
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(8,879,264)
10	+ Unamortized Debt Expense (A/C 181)	223,623
11	+ Deferred ASH pond cost (A/C182.3)	1,146,226
12	- Asset Retirement Obligation (A/C 230)	9,916,797
13	- Other Deferred Credits (A/C 253)	5
14	- Accumulated Deferred FIT	140,403,917
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	239,997,798
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	215,747,188
19	- Accumulated Depreciation	257,962,084
20	+ Materials & Supplies	26,007,614
21	+ Prepayments	124,297
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(10,106,629)
25	+ Unamortized Debt Expense (A/C 181)	223,623
26	+ Deferred ASH pond cost (A/C182.3)	1,146,226
27	- Asset Retirement Obligation (A/C 230)	9,916,797
28	- Other Deferred Credits (A/C 253)	5
29	- Accumulated Deferred FIT	13,389,099
30	- Accumulated Deferred ITC	5,745,844
31	Total Unit 2 Net In-Service Investment	(53,871,510)
32	Total Net In-Service Investment	186,126,288
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	128.9400%
35	Unit 2 (Line 31 / Line 32)	-28.9400%
		100.0000%

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>	<u>UNIT 1 February, 2020</u>
1	<u>Net Capitalization:</u>
2	Long-Term Debt 195,000,000
3	+ Short-Term Debt 0
4	+ Preferred Stock 0
5	+ Common Equity 177,173,386
6	- Temporary Cash Investments (2,712,276)
7	Net Capitalization 374,885,662 =====
8	40% of Net Capitalization 149,954,265
9	<u>Return on Common Equity:</u>
10	Lesser of Line 5 or Line 8 149,954,265
11	x Equity Return (Monthly Rate) 1.01333%
12	= Equity Return 1,519,532
13	x Operating Ratio 59.7546%
14	x Net In-Service Investment Ratio 128.9400%
15	= Subtotal 1,170,763
16	Excess of Line 5 Over Line 8 27,219,121
17	x Weighted Cost of Debt (Monthly Rate) 0.1898%
18	= Return on Equity over 40% of Capitalization 51,662
19	x Operating Ratio 59.7546%
20	x Net In-Service Investment Ratio 128.9400%
21	= Subtotal 39,804 =====
22	Unit 1 Return on Equity (Line 15 + Line 21) 1,210,567 =====
23	<u>Return on Other Capital:</u>
24	Long-Term Debt Interest Expense (A/C 427-429) 364,881
25	+ Short-Term Debt Interest Expense (a/c 430) 17,628
26	+ Other Interest Expense (a/c 431) 0
27	- Temporary Cash Investment Income * (5,147) =====
28	= Net Interest Expense 387,656
29	+ Preferred Stock Dividends (a/c 437) 0 =====
30	= Net Cost of Other Capital 387,656
31	x Operating Ratio 59.7546%
32	x Net In-Service Investment Ratio 128.9400%
33	= Unit 1 Return on Other Capital 298,680 =====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 February, 2020</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Other Debt (Accts 132 thru 136 + 145) (2,712,276)
5	Total Debt Balances (Prior Month Ending) 192,287,724
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 101.4105%
8	+ Short-Term Debt (STD bal/Total Debt bal) 0.0000%
9	+ Other Debt -1.4105%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 2.3616%
13	Short-Term Debt (avg Money Pool STD int rate) 1.8339%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.3949%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.3949%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

February, 2020

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	29,083,298
3	Fuel Stock Expenses - Undistributed (152)	1,247,128
4	Fuel Stock - Oil (151)	368,804
5	Plant Materials & Operating Supplies	6,940,478
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	37,639,708
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	29,083,298
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	29,083,298
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,132,941
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	4710.0
16	= Tons Consumed per Hour	240.54
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	5772.96
19	x 68 days	68
20	= 68 day Supply (Tons)	392,561
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	44.428
22	= 68 day Coal Inventory	17,440,700
23	Lesser of Imputed or Capped Coal Inventory	17,440,700
24	Imputed Inventory Minus Line 23	11,642,598
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	4,768,363
27	+ Current Month Return on Beginning Balance	32,191
28	+ Current Month Deferral	5,029,985
29	- Current Month Recovery	0
30	= Ending Balance **	9,830,539

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 February, 2020</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 February, 2020</u>
1	500,502-508	Steam Power Generation - Operation	836,508
2	501	Fuel - Operation	3,162,008
3	510-515	Steam Power Generating - Maintenance	479,635
4		Total Steam Power Generation Expenses	4,478,151
5	555-557	Other Power Supply Expenses	4,842
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	145,058
16	935	Administrative and General Expenses - Maintenance	14,237
17		Total Administrative & General Exp.	159,294
18		Total Operation & Maintenance Expenses	4,642,288

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>February, 2020</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,801,650
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	517
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,855,458
	7 411.10	ARO Accretion Expense	41,195
	8	Total Depreciation, Amortization & Accretion Expenses	1,896,653

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>February, 2020</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	152,554
2	409.1	State Income Taxes	0
3		Total Taxes Other than FIT	----- 152,554 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	-	-	-
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	-	-	-

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

**UNIT 1
February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	886,401,648
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	5,460,927
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	891,862,575
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	531,124,696
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	673,952
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	531,798,648
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	29,452,102
22	152	Fuel Stock Expenses - Undistributed	1,247,128
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,940,478
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	37,639,708
29	165	Prepayments	124,297
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>February, 2020</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	7,817,043
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(164,201)
9	234	Accounts Payable-Associated Company	(6,480,403)
10	236	Taxes Accrued	(8,396,189)
11	237	Interest Accrued	(852,992)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(802,522)
15		Total Other Working Capital	(8,879,264)
			=====
16	181	Unamortized Debt Expense	223,623
17	253	Other Deferred Credits	5

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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**UNIT 1
February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	(84,878,320)
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	54,249,758
35	283	+Accumulated Deferred Income Taxes - Other	1,275,840
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 140,403,917 -----
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0 -----
40		Total Net In-Service Investment - Unit 1	----- 248,768,369 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

Pg 15 of 18

**UNIT 1
 February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	109,213,056
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 109,213,056 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	2,924,487
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 3,958,587 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 1
February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	59,561,399
21		Total Retained Earnings	59,561,399
22		Total Common Equity	177,173,386
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

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**UNIT 1
February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	195,000,000
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	0
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	(2,712,276)
44		Total Temporary Cash Investments	(2,712,276)
45		NET CAPITALIZATION	374,885,662

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

Page 18 of 18

<u>Line No.</u>		<u>UNIT 1</u> <u>February, 2020</u>
1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	-
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	177,173,386
6	- Capitalization Offsets	(2,712,276)

7	Total Capitalization Balances	374,885,662
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	52.0159%
10	+ Short-Term Debt (STD/Total Capital)	0.0000%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	47.2606%
13	- Capitalization Offsets	-0.7235%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	2.3616%
17	Short-Term Debt (avg money pool STD int rate)	1.8339%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	2.3949%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	1.2284%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	5.7469%
26	- Capitalization Offsets	-0.0173%

27	Total Rate of Return (Net of Tax)	6.9926%
		=====
28	Weighted Net Cost of Debt	1.2457%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	7.2746%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	8.5203%
		=====

A E P GENERATING COMPANY

**February, 2020
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

500	SUPERVISION AND ENGINEERING	131,588
501	FUEL	3,162,008
502	STEAM EXPENSES	544,557
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	6,571
506	MISC. STEAM POWER EXPENSES	153,793
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	3,998,517
510	MAINTENANCE SUPER. AND ENGINEERING	105,948
511	MAINTENANCE OF STRUCTURES	97,567
512	MAINTENANCE OF BOILER PLANT	167,418
513	MAINTENANCE OF ELECTRIC PLANT	64,430
514	MAINTENANCE OF MISC. STEAM PLANT	44,273
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	479,635
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	2,467
557	OTHER POWER SUPPLY EXPENSES	2,376
	TOTAL OTHER SUPPLY EXPENSES	4,842

IS FUEL IN BALANCE
 ON PAGE 2

AMOUNT MUST BE ZERO
 0

NO OF DAYS IN CURRENT MO	29
NO OF DAYS IN CURRENT YEAR	366
CURRENT YEAR IS	2020
CURRENT MONTH IS	2
THIS BILLING IS FOR MONTH OF	February, 2020

A E P GENERATING COMPANY

**February, 2020
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	4,962
921	OFFICE SUPPLIES AND EXPENSES	8,028
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	68,363
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	9,854
926	EMPLOYEE PENSIONS AND BENEFITS	15,798
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	1,655
931	RENTS	4,248
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	145,058
935	MAINTENANCE OF GENERAL PLANT	14,237
	TOTAL ADM & GEN EXPENSES	159,294
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	4,642,288
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	4,642,288
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - February, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF February, 2020
 KWH FOR THE MONTH

0

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(190,828)
Return on Other Capital	(47,083)
Total Return	----- (237,911)
Fuel	(48,109)
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	4,727,684
Depreciation Expense	2,260,274
Taxes Other Than Federal Income Tax	104,215
Federal Income Tax	(79,646)
TOTAL CURRENT UNIT POWER BILL	----- 6,720,383 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(92,051)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (92,051) -----

TOTAL UNIT POWER BILL

=====
6,628,332
=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

6,676,440.99

DUE DATE - - January 20, 1900

Cc: Steve Hornyak - Columbus
 Dave Hille - Ft. Wayne
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus

Kurt C Cooper - Ft Wayne
 Shannon Listebarger - Columbus

Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - February, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF February, 2020
 KWH FOR THE MONTH 0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	(81,784)
Return on Other Capital	(20,178)
Total Return	----- (101,962)
Fuel	(20,618)
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,026,150
Depreciation Expense	968,689
Taxes Other Than Federal Income Tax	44,664
Federal Income Tax	(34,134)
TOTAL CURRENT UNIT POWER BILL	----- 2,880,164 =====
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(39,449)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (39,449) -----
TOTAL UNIT POWER BILL	=====
	2,840,715 =====
AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.	2,861,332.59

DUE DATE - - January 20, 1900

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

February, 2020

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(272,612)	(81,784)	(190,828)
Return on Other Capital	(67,261)	(20,178)	(47,083)
Total Return	(339,873)	(101,962)	(237,911)
+ Fuel	(68,727)	(20,618)	(48,109)
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	6,753,834	2,026,150	4,727,684
+ Depreciation Expense	3,228,963	968,689	2,260,274
+ Taxes Other Than Federal Income Tax	148,879	44,664	104,215
+ Federal and State Income Tax	0	0	0
= Total Unit 2 Monthly Power Bill	9,714,327	2,914,298	6,800,029
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(339,873)	(101,962)	(237,911)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(76,225)	(22,868)	(53,357)
= Subtotal	(263,648)	(79,094)	(184,554)
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 2 Current Federal Income Tax	0	0	0
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	9,714,327	2,914,298	6,800,029
- Operation and Maintenance Expenses	6,685,107	2,005,532	4,679,575
- Depreciation Expense	3,228,963	968,689	2,260,274
- Taxes Other Than Federal Income Tax	148,879	44,664	104,215
- Unit 2 Interest Expense Deduction *	(76,225)	(22,868)	(53,357)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(263,648)	(79,094)	(184,554)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(263,648)	(79,094)	(184,554)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	96,727	29,018	67,709
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	96,727	29,018	67,709

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 2 February, 2020</u>
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,107,609,763
4	- Accumulated Depreciation	789,760,733
5	+ Materials & Supplies	63,647,321
6	+ Prepayments	248,595
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(18,985,893)
10	+ Unamortized Debt Expense (A/C 181)	447,247
11	+ Deferred ASH pond cost (A/C182.3)	2,292,452
12	- Asset Retirement Obligation (A/C 230)	19,833,593
13	- Other Deferred Credits (A/C 253)	10
14	- Accumulated Deferred FIT	153,793,017
15	- Accumulated Deferred ITC	5,745,844
16	Total Net In-Service Investment	----- 186,126,288
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	109,213,056
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 109,213,056
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	2,924,487
25	+ Fuel Inventory Over Allowed Level ****	12,186,397
26	Total Non-In-Service Investment - Other	----- 15,110,884
27	Total Investment (Lines 16+21+26)	----- 310,450,228 =====
28	Operating Ratio (Line 16/Line 27)	59.9537%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	35.1789%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	4.8674%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 2 February, 2020</u>
1	Net In-Service Investment Ratio:	
2	<u>Unit 2 Net In-Service Investment:</u>	
3	Electric Plant In-Service	215,747,188
4	- Accumulated Depreciation	257,962,084
5	+ Materials & Supplies	26,007,614
6	+ Prepayments	124,297
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(10,106,629)
10	+ Unamortized Debt Expense (A/C 181)	223,623
11	+ Deferred ASH pond cost (A/C182.3)	1,146,226
12	- Asset Retirement Obligation (A/C 230)	9,916,797
13	- Other Deferred Credits (A/C 253)	5
14	- Accumulated Deferred FIT	13,389,099
15	- Accumulated Deferred ITC	5,745,844
16	Total Unit 2 Net In-Service Investment	----- (53,871,510) -----
17	<u>Unit 1 Net In-Service Investment:</u>	
18	Electric Plant In-Service	891,862,575
19	- Accumulated Depreciation	531,798,648
20	+ Materials & Supplies	37,639,708
21	+ Prepayments	124,297
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(8,879,264)
25	+ Unamortized Debt Expense (A/C 181)	223,623
26	+ Deferred ASH pond cost (A/C182.3)	1,146,226
27	- Asset Retirement Obligation (A/C 230)	9,916,797
28	- Other Deferred Credits (A/C 253)	5
29	- Accumulated Deferred FIT	140,403,917
30	- Accumulated Deferred ITC	0
31	Total Unit 1 Net In-Service Investment	----- 239,997,798 -----
32	Total Net In-Service Investment	----- 186,126,288 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 2 (Line 16 / Line 32)	-28.9400%
35	Unit 1 (Line 31 / Line 32)	128.9400%
		----- 100.0000% =====
	* As Permitted By FERC	=====

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 February, 2020</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	0
4	+ Preferred Stock	0
5	+ Common Equity	177,173,386
6	- Temporary Cash Investments	(2,712,276)

7	Net Capitalization	374,885,662
		=====
8	40% of Net Capitalization	149,954,265
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	149,954,265
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,519,532
13	x Operating Ratio	59.9537%
14	x Net In-Service Investment Ratio	-28.9400%
15	= Subtotal	(263,648)
16	Excess of Line 5 Over Line 8	27,219,121
17	x Weighted Cost of Debt (Monthly Rate)	0.1898%
18	= Return on Equity over 40% of Capitalization	51,662
19	x Operating Ratio	59.9537%
20	x Net In-Service Investment Ratio	-28.9400%
21	= Subtotal	(8,964)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(272,612)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	364,881
25	+ Short-Term Debt Interest Expense (a/c 430)	17,628
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	(5,147)

28	= Net Interest Expense	387,656
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	387,656
31	x Operating Ratio	59.9537%
32	x Net In-Service Investment Ratio	-28.9400%
33	= Unit 2 Return on Other Capital	(67,261)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 6 of 18
DETERMINATION OF WEIGHTED COST OF DEBT

<u>Line No.</u>		<u>UNIT 2</u> <u>February, 2020</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	0
4	+ Other Debt (Accts 132 thru 136 + 145)	(2,712,276)

5	Total Debt Balances (Prior Month Ending)	192,287,724
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	101.4105%
8	+ Short-Term Debt (STD bal/Total Debt bal)	0.0000%
9	+ Other Debt	-1.4105%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.3616%
13	Short-Term Debt (avg Money Pool STD int rate)	1.8339%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.3949%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.0000%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.3949%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>February, 2020</u>
1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,451,204
3	Fuel Stock Expenses - Undistributed (152)	1,247,128
4	Fuel Stock - Oil (151)	368,804
5	Plant Materials & Operating Supplies	6,940,478
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	26,007,614
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	29,083,298
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	29,083,298
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,163,326
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	4992.0
16	= Tons Consumed per Hour	233.04
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	5592.96
19	x 68 days	68
20	= 68 day Supply (Tons)	380,321
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	44.428
22	= 68 day Coal Inventory	16,896,901
23	Lesser of Imputed or Capped Coal Inventory	16,896,901
24	Imputed Inventory Minus Line 23	12,186,397
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	0
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	0
	* Excludes Forced Outages,Scheduled Outages,and Curtailments	
	** May Not Be Less Than Zero	
	Total Unit 2 Monthly Power Bill with Actual	0
	Total Unit 2 Monthly Power Bill with 68 Day Capped	0
	Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	UNIT 2 <u>February, 2020</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 February, 2020</u>
1	500,502-508	Steam Power Generation - Operation	6,149,512
2	501	Fuel - Operation	(68,727)
3	510-515	Steam Power Generating - Maintenance	437,999
4		Total Steam Power Generation Expenses	----- 6,518,784
5	555-557	Other Power Supply Expenses	----- 4,842
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	----- 0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expennse - Maintenance	0
11		Total Distribution Expennse	----- 0
12	901-905	Customer Accounts Expenses - Operation	----- 0
13	906-910	Customer Service and Informational Expenses - Operation	----- 0
14	911-917	Sales Expenses - Operation	----- 0
15	920-933	Administrative and General Expenses - Operation	147,244
16	935	Administrative and General Expenses - Maintenance	14,237
17		Total Administrative & General Exp.	----- 161,480
18		Total Operation & Maintenance Expenses	----- 6,685,107 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 February, 2020</u>
1	403	Depreciation Expense *	2,416,977
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	717,501
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,187,768 =
7	411.10	ARO Accretion Expense	41,195
8		Total Depreciation, Amortization & Accretion Expenses	3,228,963

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>February, 2020</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	148,879
2	409.1	State Income Taxes	0
3		Total Taxes Other than Federal Income Taxes	----- 148,879 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

**UNIT 2
February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	214,145,364
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	1,601,824
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 215,747,188
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	191,574,208
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	66,387,877
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 257,962,084
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	17,820,008
22	152	Fuel Stock Expenses - Undistributed	1,247,128
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,940,478
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 26,007,614
29	165	Prepayments	----- 124,297
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 February, 2020</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	7,817,043
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(164,201)
9	234	Accounts Payable-Associated Company	(6,480,403)
10	236	Taxes Accrued	(8,396,189)
11	237	Interest Accrued	(852,992)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(2,029,887)
15		Total Other Working Capital	(10,106,629)
			=====
16	181	Unamortized Debt Expense	223,623
17	253	Other Deferred Credits	5

*	debit <credit>		

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

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**UNIT 2
 February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	139,711,924
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	151,940,056
35	283	+Accumulated Deferred Income Taxes - Other	1,160,968
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 13,389,099
37	255	+Accumulated Deferred Investment Tax Credits	5,745,844
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 5,745,844
40		Total Net In-Service Investment - Unit 2	----- (45,100,940) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

Pg 15 of 18

UNIT 2
February, 2020

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	109,213,056
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 109,213,056 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	2,924,487
20	151.10	Fuel Inventory Over Allowed Level *	12,186,397
21		Total Non-In-Service Investment - Other	----- 15,110,884 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	12,186,397
		TOTAL	----- 12,186,397 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 2
February, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000 -----
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987 -----
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	59,561,399
21		Total Retained Earnings	----- 59,561,399 -----
22		Total Common Equity	----- 177,173,386 -----
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0 -----

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

**UNIT 2
February, 2020**

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	0
38		Total Short-Term Debt	----- 0 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	(2,712,276)
44		Total Temporary Cash Investments	----- (2,712,276) -----
45		NET CAPITALIZATION	----- 374,885,662 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>February, 2020</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 0
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 177,173,386
6	- Capitalization Offsets (2,712,276)
7	Total Capitalization Balances 374,885,662
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 52.0159%
10	+ Short-Term Debt (STD/Total Capital) 0.0000%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 47.2606%
13	- Capitalization Offsets -0.7235%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.3616%
17	Short-Term Debt (avg money pool STD int rate) 1.8339%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.3949%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.2284%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.0000%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 5.7469%
26	- Capitalization Offsets -0.0173%
27	Total Rate of Return (Net of Tax) 6.9926%
28	Weighted Net Cost of Debt 1.2457%
29	(LTD Rate of Return + STD RR - Cap Offsets RR) + Pre-Tax Common Equity (Line 25 / .79) 7.2746%
30	(Common Equity Rate of Return grossed up for tax) = Rate of Return (Pre-Tax) 8.5203%

A E P GENERATING COMPANY		February, 2020
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	129,609
501	FUEL	(68,727)
502	STEAM EXPENSES	251,775
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	9,033
506	MISC. STEAM POWER EXPENSES	147,428
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	6,080,785
510	MAINTENANCE SUPER. AND ENGINEERING	106,125
511	MAINTENANCE OF STRUCTURES	11,672
512	MAINTENANCE OF BOILER PLANT	175,083
513	MAINTENANCE OF ELECTRIC PLANT	102,977
514	MAINTENANCE OF MISC. STEAM PLANT	42,142
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	437,999
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	2,467
557	OTHER POWER SUPPLY EXPENSES	2,376
	TOTAL OTHER SUPPLY EXPENSES	4,842

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO	>	29
NO OF DAYS IN CURRENT YEAR	>	366
CURRENT YEAR IS		2020
CURRENT MONTH IS		2
THIS BILLING IS FOR MONTH OF		February, 2020

A E P GENERATING COMPANY

**February, 2020
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	6,192
921	OFFICE SUPPLIES AND EXPENSES	8,032
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	72,342
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	9,854
926	EMPLOYEE PENSIONS AND BENEFITS	15,798
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	1,654
931	RENTS	1,220
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	147,244
935	MAINTENANCE OF GENERAL PLANT	14,237
	TOTAL ADM & GEN EXPENSES	161,480
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	6,685,107
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	6,685,107
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - March, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF March, 2020
 KWH FOR THE MONTH

46,835,718

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	332,550
Return on Other Capital	91,501
Total Return	424,051
Fuel	1,359,638
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	489,349
Depreciation Expense	570,254
Taxes Other Than Federal Income Tax	119,314
Federal Income Tax	(50,826)
TOTAL CURRENT UNIT POWER BILL	2,909,155

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(2)

TOTAL PRIOR MONTH'S ADJUSTMENTS (2)

TOTAL UNIT POWER BILL 2,909,153

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

1,549,515.23

DUE DATE - - - January 20, 1900

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA,COLUMBUS,OH 43215
TELEPHONE (614) 716-3724

INDIANA MICHIGAN POWER COMPANY
P. O. BOX 60
FORT WAYNE, IN 46801

ESTIMATE
19-May-20

UNIT 1
POWER BILL - - March, 2020

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF March, 2020
 KWH FOR THE MONTH

109,283,415

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	775,950
Return on Other Capital	213,503
Total Return	989,453
Fuel	3,172,488
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	1,141,816
Depreciation Expense	1,330,594
Taxes Other Than Federal Income Tax	278,398
Federal Income Tax	(118,593)
TOTAL UNIT POWER BILL	6,788,030

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	(4)

TOTAL PRIOR MONTH'S ADJUSTMENTS (4)

TOTAL UNIT POWER BILL 6,788,026

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

3,615,538.53

DUE DATE - - - January 20, 1900

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

March, 2020

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,108,500	332,550	775,950
Return on Other Capital	305,004	91,501	213,503
Total Return	1,413,504	424,051	989,453
+ Fuel	4,532,126	1,359,638	3,172,488
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	1,631,165	489,349	1,141,816
+ Depreciation Expense	1,900,848	570,254	1,330,594
+ Taxes Other Than Federal Income Tax	397,712	119,314	278,398
+ Federal and State Income Tax	0	0	0
= Total Unit 1 Monthly Power Bill	9,866,604	2,959,981	6,906,623
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,413,504	424,051	989,453
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	-	-	-
- Unit 1 Interest Expense Deduction *	308,277	92,483	215,794
= Subtotal	1,105,227	331,568	773,659
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 1 Current Federal Income Tax	0	0	0
+ Unit 1 Def Fed & State Income Taxes	-	0	0
= Total Unit 1 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	9,866,604	2,959,981	6,906,623
- Operation and Maintenance Expenses	6,163,290	1,848,987	4,314,304
- Depreciation Expense	1,900,848	570,254	1,330,594
- Taxes Other Than Federal Income Tax	397,712	119,314	278,398
- Unit 1 Interest Expense Deduction *	308,277	92,483	215,794
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	1,105,227	331,568	773,659
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	1,105,227	331,568	773,659
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(405,486)	(121,646)	(283,840)
+ Unit 1 Def Fed & State Income Taxes	-	0	0
= Total Unit 1 Fed&State Income Taxes	(405,486)	(121,646)	(283,840)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

ITERATION
 TO CALC C

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>	<u>UNIT 1 March, 2020</u>
1	<u>Operating Ratio:</u>
2	<u>Net In-Service Investment:</u>
3	Electric Plant In-Service 1,107,913,236
4	- Accumulated Depreciation 794,414,648
5	+ Materials & Supplies 64,611,150
6	+ Prepayments 193,142
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital *** (18,620,574)
10	+ Unamortized Debt Expense (A/C 181) 432,439
11	+ Deferred ASH pond cost (A/C 182.3) 2,284,628
12	- Asset Retirement Obligation (A/C 230) 19,911,134
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 150,361,577
15	- Accumulated Deferred ITC 5,745,844
16	Total Net In-Service Investment 186,380,819
17	<u>Non-In-Service Investment - CWIP :</u>
18	Construction Work In Progress 114,504,164
19	+ Materials & Supplies 0
20	- Accumulated Deferred FIT 0
21	Total Non-In-Service Investment - CWIP 114,504,164
22	<u>Non-In-Service Investment - Other :</u>
23	Plant Held for Future Use (A/C 105) ** 1,034,099
24	+ Other Deferred Debits (A/C 186) ** 2,669,111
25	+ Fuel Inventory Over Allowed Level **** 26,170,494
26	Total Non-In-Service Investment - Other 29,873,705
27	Total Investment (Lines 16+21+26) 330,758,688
28	Operating Ratio (Line 16/Line 27) 56.3495%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27) 34.6186%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27) 9.0319%
31	Total Investment 100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 1 March, 2020</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	892,166,264
4	- Accumulated Depreciation	533,445,234
5	+ Materials & Supplies	38,121,622
6	+ Prepayments	96,571
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(8,389,763)
10	+ Unamortized Debt Expense (A/C 181)	216,220
11	+ Deferred ASH pond cost (A/C182.3)	1,142,314
12	- Asset Retirement Obligation (A/C 230)	9,955,567
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	138,688,197
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	----- 241,264,229 -----
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	215,746,973
19	- Accumulated Depreciation	260,969,413
20	+ Materials & Supplies	26,489,528
21	+ Prepayments	96,571
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(10,230,811)
25	+ Unamortized Debt Expense (A/C 181)	216,220
26	+ Deferred ASH pond cost (A/C182.3)	1,142,314
27	- Asset Retirement Obligation (A/C 230)	9,955,567
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	11,673,380
30	- Accumulated Deferred ITC	5,745,844
31	Total Unit 2 Net In-Service Investment	----- (54,883,409) -----
32	Total Net In-Service Investment	----- 186,380,819 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	129.4500%
35	Unit 2 (Line 31 / Line 32)	-29.4500%
		----- 100.0000% =====

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 March, 2020</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	27,050,283
4	+ Preferred Stock	0
5	+ Common Equity	151,757,618
6	- Temporary Cash Investments	0
7	Net Capitalization	----- 373,807,901 =====
8	40% of Net Capitalization	149,523,160
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	149,523,160
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,515,163
13	x Operating Ratio	56.3495%
14	x Net In-Service Investment Ratio	129.4500%
15	= Subtotal	1,105,227
16	Excess of Line 5 Over Line 8	2,234,458
17	x Weighted Cost of Debt (Monthly Rate)	0.2008%
18	= Return on Equity over 40% of Capitalization	4,487
19	x Operating Ratio	56.3495%
20	x Net In-Service Investment Ratio	129.4500%
21	= Subtotal	----- 3,273 =====
22	Unit 1 Return on Equity (Line 15 + Line 21)	1,108,500 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	400,210
25	+ Short-Term Debt Interest Expense (a/c 430)	17,922
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	0
28	= Net Interest Expense	----- 418,132
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	----- 418,132
31	x Operating Ratio	56.3495%
32	x Net In-Service Investment Ratio	129.4500%
33	= Unit 1 Return on Other Capital	----- 305,004 =====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 March, 2020</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 27,050,283
4	+ Other Debt (Accts 132 thru 136 + 145) 0
5	Total Debt Balances (Prior Month Ending) 222,050,283
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 87.8179%
8	+ Short-Term Debt (STD bal/Total Debt bal) 12.1821%
9	+ Other Debt 0.0000%
10	Total Debt Balances 100.0000%
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 2.4231%
13	Short-Term Debt (avg Money Pool STD int rate) 1.9983%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 2.1279%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.2434%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 2.3713%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

March, 2020

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	29,083,298
3	Fuel Stock Expenses - Undistributed (152)	1,380,672
4	Fuel Stock - Oil (151)	678,185
5	Plant Materials & Operating Supplies	6,979,466
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	38,121,622
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	30,126,909
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	30,126,909
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,132,941
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	4710.0
16	= Tons Consumed per Hour	240.54
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	5772.96
19	x 68 days	68
20	= 68 day Supply (Tons)	392,561
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	44.099
22	= 68 day Coal Inventory	17,311,548
23	Lesser of Imputed or Capped Coal Inventory	17,311,548
24	Imputed Inventory Minus Line 23	12,815,361
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	4,768,363
27	+ Current Month Return on Beginning Balance	30,927
28	+ Current Month Deferral	5,029,985
29	- Current Month Recovery	0
30	= Ending Balance **	9,829,275

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 March, 2020</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 March, 2020</u>
1	500,502-508	Steam Power Generation - Operation	847,650
2	501	Fuel - Operation	4,532,126
3	510-515	Steam Power Generating - Maintenance	503,588
4		Total Steam Power Generation Expenses	5,883,363
5	555-557	Other Power Supply Expenses	11,597
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	263,215
16	935	Administrative and General Expenses - Maintenance	5,116
17		Total Administrative & General Exp.	268,330
18		Total Operation & Maintenance Expenses	6,163,290

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>March, 2020</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,805,692
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	517
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
	6	Total Depreciation Exp. & Amortization	1,859,500
	7 411.10	ARO Accretion Expense	41,348
	8	Total Depreciation, Amortization & Accretion Expenses	1,900,848

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 March, 2020</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	147,712
2	409.1	State Income Taxes	250,000
3		Total Taxes Other than FIT	----- 397,712 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 March, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	-	-	-
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	-	-	-

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	UNIT 1 <u>March, 2020</u>
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	886,343,142
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	5,823,121
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	892,166,264
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	532,770,765
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	674,470
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	533,445,234
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	29,761,483
22	152	Fuel Stock Expenses - Undistributed	1,380,672
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,979,466
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	38,121,622
29	165	Prepayments	96,571
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>March, 2020</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	8,447,207
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(84,421)
9	234	Accounts Payable-Associated Company	(6,907,964)
10	236	Taxes Accrued	(8,282,404)
11	237	Interest Accrued	(855,117)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(707,065)
15		Total Other Working Capital	(8,389,763)
			=====
16	181	Unamortized Debt Expense	216,220
17	253	Other Deferred Credits	0

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 14 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 March, 2020</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	(83,162,600)
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	54,249,758
35	283	+Accumulated Deferred Income Taxes - Other	1,275,840
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 138,688,197
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0
40		Total Net In-Service Investment - Unit 1	----- 250,077,481 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

Pg 15 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 March, 2020</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	114,504,164
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 114,504,164 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	2,669,111
20	151.10	Fuel Inventory Over Allowed Level *	12,815,361
21		Total Non-In-Service Investment - Other	----- 16,518,572 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	12,815,361
		UNIT 2	0
		TOTAL	----- 12,815,361 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 1
March, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	34,145,631
21		Total Retained Earnings	34,145,631
22		Total Common Equity	151,757,618
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 March, 2020</u>
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	27,050,283
38		Total Short-Term Debt	----- 27,050,283 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	0
44		Total Temporary Cash Investments	----- 0 -----
45		NET CAPITALIZATION	----- 373,807,901 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

Page 18 of 18

<u>Line No.</u>	<u>UNIT 1</u> <u>March, 2020</u>
1	<u>Capitalization Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 27,050,283
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 151,757,618
6	- Capitalization Offsets 0
7	Total Capitalization Balances 373,807,901
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 52.1658%
10	+ Short-Term Debt (STD/Total Capital) 7.2364%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 40.5978%
13	- Capitalization Offsets 0.0000%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.4231%
17	Short-Term Debt (avg money pool STD int rate) 1.9983%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.3713%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.2640%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.1446%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 4.9367%
26	- Capitalization Offsets 0.0000%
27	Total Rate of Return (Net of Tax) 6.3453%
28	Weighted Net Cost of Debt 1.4086%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 6.2490%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 7.6576%

A E P GENERATING COMPANY

**March, 2020
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

500	SUPERVISION AND ENGINEERING	135,122
501	FUEL	4,532,126
502	STEAM EXPENSES	594,425
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	43,248
506	MISC. STEAM POWER EXPENSES	74,855
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	5,379,775
510	MAINTENANCE SUPER. AND ENGINEERING	109,596
511	MAINTENANCE OF STRUCTURES	(4,865)
512	MAINTENANCE OF BOILER PLANT	283,905
513	MAINTENANCE OF ELECTRIC PLANT	71,281
514	MAINTENANCE OF MISC. STEAM PLANT	43,671
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	503,588
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	3,588
557	OTHER POWER SUPPLY EXPENSES	8,008
	TOTAL OTHER SUPPLY EXPENSES	11,597

IS FUEL IN BALANCE
 ON PAGE 2

AMOUNT MUST BE ZERO
 0

NO OF DAYS IN CURRENT MO	31
NO OF DAYS IN CURRENT YEAR	366
CURRENT YEAR IS	2020
CURRENT MONTH IS	3
THIS BILLING IS FOR MONTH OF	March, 2020

A E P GENERATING COMPANY

**March, 2020
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	8,155
921	OFFICE SUPPLIES AND EXPENSES	4,776
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	141,335
924	PROPERTY INSURANCE	28,945
925	INJURIES AND DAMAGES	(2,759)
926	EMPLOYEE PENSIONS AND BENEFITS	77,256
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	1,487
931	RENTS	4,021
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	263,215
935	MAINTENANCE OF GENERAL PLANT	5,116
	TOTAL ADM & GEN EXPENSES	268,330
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	6,163,290
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	6,163,290
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - March, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF March, 2020
 KWH FOR THE MONTH 0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	(177,083)
Return on Other Capital	(48,724)
Total Return	----- (225,807)
Fuel	(1,266,990)
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	4,669,785
Depreciation Expense	2,261,274
Taxes Other Than Federal Income Tax	275,826
Federal Income Tax	(118,593)
TOTAL CURRENT UNIT POWER BILL	----- 5,589,371 -----
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(4)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (4) -----
TOTAL UNIT POWER BILL	=====
	5,589,367
	=====
AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.	6,856,356.27

DUE DATE - - January 20, 1900

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - March, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF March, 2020
 KWH FOR THE MONTH 0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	(75,893)
Return on Other Capital	(20,882)
Total Return	----- (96,775)
Fuel	(542,996)
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	2,001,336
Depreciation Expense	969,118
Taxes Other Than Federal Income Tax	118,211
Federal Income Tax	(50,826)
TOTAL CURRENT UNIT POWER BILL	----- 2,395,444 =====
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	(2)
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- (2) -----
TOTAL UNIT POWER BILL	=====
	2,395,442
	=====
AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.	2,938,437.77

DUE DATE - - January 20, 1900
 Cc: Steve Hornyak - Columbus
 Dave Hille - Ft. Wayne
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus

Kurt C Cooper - Ft Wayne
 Shannon Listebarger - Columbus
 Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

March, 2020

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(252,976)	(75,893)	(177,083)
Return on Other Capital	(69,606)	(20,882)	(48,724)
Total Return	(322,582)	(96,775)	(225,807)
+ Fuel	(1,809,985)	(542,996)	(1,266,990)
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	6,671,121	2,001,336	4,669,785
+ Depreciation Expense	3,230,392	969,118	2,261,274
+ Taxes Other Than Federal Income Tax	394,037	118,211	275,826
+ Federal and State Income Tax	0	0	0
= Total Unit 2 Monthly Power Bill	8,154,234	2,446,269	5,707,964
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(322,582)	(96,775)	(225,807)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(70,353)	(21,106)	(49,247)
= Subtotal	(252,229)	(75,669)	(176,560)
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 2 Current Federal Income Tax	0	0	0
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	8,154,234	2,446,269	5,707,964
- Operation and Maintenance Expenses	4,861,136	1,458,340	3,402,796
- Depreciation Expense	3,230,392	969,118	2,261,274
- Taxes Other Than Federal Income Tax	394,037	118,211	275,826
- Unit 2 Interest Expense Deduction *	(70,353)	(21,106)	(49,247)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(252,229)	(75,669)	(176,560)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(252,229)	(75,669)	(176,560)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	92,537	27,761	64,776
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	92,537	27,761	64,776

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 2 March, 2020</u>
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,107,913,236
4	- Accumulated Depreciation	794,414,648
5	+ Materials & Supplies	64,611,150
6	+ Prepayments	193,142
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(18,620,574)
10	+ Unamortized Debt Expense (A/C 181)	432,439
11	+ Deferred ASH pond cost (A/C182.3)	2,284,628
12	- Asset Retirement Obligation (A/C 230)	19,911,134
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	150,361,577
15	- Accumulated Deferred ITC	5,745,844
16	Total Net In-Service Investment	----- 186,380,819
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	114,504,164
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 114,504,164
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	2,669,111
25	+ Fuel Inventory Over Allowed Level ****	26,170,494
26	Total Non-In-Service Investment - Other	----- 28,839,605
27	Total Investment (Lines 16+21+26)	----- 329,724,589 =====
28	Operating Ratio (Line 16/Line 27)	56.5262%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	34.7272%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	8.7466%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 2 March, 2020</u>
1	Net In-Service Investment Ratio:
2	<u>Unit 2 Net In-Service Investment:</u>
3	Electric Plant In-Service 215,746,973
4	- Accumulated Depreciation 260,969,413
5	+ Materials & Supplies 26,489,528
6	+ Prepayments 96,571
7	+ Plant Held For Future Use (A/C 105) * 0
8	+ Other Deferred Debits (A/C 186) * 0
9	+ Other Working Capital ** (10,230,811)
10	+ Unamortized Debt Expense (A/C 181) 216,220
11	+ Deferred ASH pond cost (A/C182.3) 1,142,314
12	- Asset Retirement Obligation (A/C 230) 9,955,567
13	- Other Deferred Credits (A/C 253) 0
14	- Accumulated Deferred FIT 11,673,380
15	- Accumulated Deferred ITC 5,745,844
16	Total Unit 2 Net In-Service Investment (54,883,409)
17	<u>Unit 1 Net In-Service Investment:</u>
18	Electric Plant In-Service 892,166,264
19	- Accumulated Depreciation 533,445,234
20	+ Materials & Supplies 38,121,622
21	+ Prepayments 96,571
22	+ Plant Held For Future Use (A/C 105) * 0
23	+ Other Deferred Debits (A/C 186) * 0
24	+ Other Working Capital ** (8,389,763)
25	+ Unamortized Debt Expense (A/C 181) 216,220
26	+ Deferred ASH pond cost (A/C182.3) 1,142,314
27	- Asset Retirement Obligation (A/C 230) 9,955,567
28	- Other Deferred Credits (A/C 253) 0
29	- Accumulated Deferred FIT 138,688,197
30	- Accumulated Deferred ITC 0
31	Total Unit 1 Net In-Service Investment 241,264,229
32	Total Net In-Service Investment 186,380,819
33	<u>Net In-Service Investment Ratio:</u>
34	Unit 2 (Line 16 / Line 32) -29.4500%
35	Unit 1 (Line 31 / Line 32) 129.4500%
	100.0000%
	* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>March, 2020</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	27,050,283
4	+ Preferred Stock	0
5	+ Common Equity	151,757,618
6	- Temporary Cash Investments	0

7	Net Capitalization	373,807,901
		=====
8	40% of Net Capitalization	149,523,160
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	149,523,160
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,515,163
13	x Operating Ratio	56.5262%
14	x Net In-Service Investment Ratio	-29.4500%
15	= Subtotal	(252,229)
16	Excess of Line 5 Over Line 8	2,234,458
17	x Weighted Cost of Debt (Monthly Rate)	0.2008%
18	= Return on Equity over 40% of Capitalization	4,487
19	x Operating Ratio	56.5262%
20	x Net In-Service Investment Ratio	-29.4500%
21	= Subtotal	(747)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(252,976)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	400,210
25	+ Short-Term Debt Interest Expense (a/c 430)	17,922
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	0

28	= Net Interest Expense	418,132
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	418,132
31	x Operating Ratio	56.5262%
32	x Net In-Service Investment Ratio	-29.4500%
33	= Unit 2 Return on Other Capital	(69,606)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>		<u>UNIT 2</u> <u>March, 2020</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	27,050,283
4	+ Other Debt (Accts 132 thru 136 + 145)	0

5	Total Debt Balances (Prior Month Ending)	222,050,283
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	87.8179%
8	+ Short-Term Debt (STD bal/Total Debt bal)	12.1821%
9	+ Other Debt	0.0000%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	2.4231%
13	Short-Term Debt (avg Money Pool STD int rate)	1.9983%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	2.1279%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.2434%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	2.3713%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

INCLUDE A/C 431 ON PG 5

UNIT 2

**Line
 No.**

March, 2020

1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,451,204
3	Fuel Stock Expenses - Undistributed (152)	1,380,672
4	Fuel Stock - Oil (151)	678,185
5	Plant Materials & Operating Supplies	6,979,466
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	26,489,528
		=====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	30,126,909
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	30,126,909

13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,163,326
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	4992.0
16	= Tons Consumed per Hour	233.04
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	5592.96
19	x 68 days	68
20	= 68 day Supply (Tons)	380,321
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	44.099
22	= 68 day Coal Inventory	16,771,776

23	Lesser of Imputed or Capped Coal Inventory	16,771,776

24	Imputed Inventory Minus Line 23	13,355,133
		=====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	0
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	0

		=====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

Total Unit 2 Monthly Power Bill with Actual	0
Total Unit 2 Monthly Power Bill with 68 Day Capped	0
Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 March, 2020</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 9 of 18
DETAIL OF OPERATION & MAINTENANCE EXPENSES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>March, 2020</u>
1	500,502-508	Steam Power Generation - Operation	5,994,683
2	501	Fuel - Operation	(1,809,985)
3	510-515	Steam Power Generating - Maintenance	382,204
4		Total Steam Power Generation Expenses	4,566,902
5	555-557	Other Power Supply Expenses	11,597
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expennse - Maintenance	0
11		Total Distribution Expennse	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	277,523
16	935	Administrative and General Expenses - Maintenance	5,116
17		Total Administrative & General Exp.	282,638
18		Total Operation & Maintenance Expenses	4,861,136

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

Pg 10 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 March, 2020</u>
1	403	Depreciation Expense *	2,417,648
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	718,107
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,189,044 =
7	411.10	ARO Accretion Expense	41,348
8		Total Depreciation, Amortization & Accretion Expenses	3,230,392

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 March, 2020</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	144,037
2	409.1	State Income Taxes	250,000
3		Total Taxes Other than Federal Income Taxes	----- 394,037 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 March, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

**UNIT 2
March, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	214,214,737
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	1,532,236
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 215,746,973
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	193,865,276
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	67,104,137
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 260,969,413
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	18,129,389
22	152	Fuel Stock Expenses - Undistributed	1,380,672
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,979,466
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 26,489,528
29	165	Prepayments	----- 96,571
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 March, 2020</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	8,447,207
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(84,421)
9	234	Accounts Payable-Associated Company	(6,907,964)
10	236	Taxes Accrued	(8,282,404)
11	237	Interest Accrued	(855,117)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(2,548,113)
15		Total Other Working Capital	(10,230,811)
			=====
16	181	Unamortized Debt Expense	216,220
17	253	Other Deferred Credits	0
			=====
*	debit <credit>		

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

Pg 14 of 18

**UNIT 2
 March, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	141,427,644
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	151,940,056
35	283	+Accumulated Deferred Income Taxes - Other	1,160,968
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 11,673,380
37	255	+Accumulated Deferred Investment Tax Credits	5,745,844
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 5,745,844
40		Total Net In-Service Investment - Unit 2	----- (46,070,157) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

Pg 15 of 18

UNIT 2
March, 2020

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	114,504,164
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 114,504,164 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	2,669,111
20	151.10	Fuel Inventory Over Allowed Level *	26,170,494
21		Total Non-In-Service Investment - Other	----- 28,839,605 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	12,815,361
		UNIT 2	13,355,133
		TOTAL	----- 26,170,494 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

**UNIT 2
March, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000 -----
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987 -----
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	34,145,631
21		Total Retained Earnings	----- 34,145,631 -----
22		Total Common Equity	----- 151,757,618 -----
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0 -----

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

UNIT 2
March, 2020

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	27,050,283
38		Total Short-Term Debt	----- 27,050,283 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	0
44		Total Temporary Cash Investments	----- 0 -----
45		NET CAPITALIZATION	----- 373,807,901 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>March, 2020</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 27,050,283
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 151,757,618
6	- Capitalization Offsets 0
7	Total Capitalization Balances 373,807,901
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 52.1658%
10	+ Short-Term Debt (STD/Total Capital) 7.2364%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 40.5978%
13	- Capitalization Offsets 0.0000%
14	Total Capitalization 100.0000%
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 2.4231%
17	Short-Term Debt (avg money pool STD int rate) 1.9983%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 2.3713%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 1.2640%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.1446%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 4.9367%
26	- Capitalization Offsets 0.0000%
27	Total Rate of Return (Net of Tax) 6.3453%
28	Weighted Net Cost of Debt 1.4086%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 6.2490%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 7.6576%

A E P GENERATING COMPANY		March, 2020
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	133,997
501	FUEL	(1,809,985)
502	STEAM EXPENSES	136,497
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	33,532
506	MISC. STEAM POWER EXPENSES	78,990
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	4,184,698
510	MAINTENANCE SUPER. AND ENGINEERING	109,770
511	MAINTENANCE OF STRUCTURES	20,836
512	MAINTENANCE OF BOILER PLANT	169,326
513	MAINTENANCE OF ELECTRIC PLANT	61,397
514	MAINTENANCE OF MISC. STEAM PLANT	20,874
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	382,204
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	3,588
557	OTHER POWER SUPPLY EXPENSES	8,008
	TOTAL OTHER SUPPLY EXPENSES	11,597

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO	>	31
NO OF DAYS IN CURRENT YEAR	>	366
CURRENT YEAR IS		2020
CURRENT MONTH IS		3
THIS BILLING IS FOR MONTH OF		March, 2020

A E P GENERATING COMPANY

**March, 2020
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	13,860
921	OFFICE SUPPLIES AND EXPENSES	4,792
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	152,914
924	PROPERTY INSURANCE	28,945
925	INJURIES AND DAMAGES	(2,759)
926	EMPLOYEE PENSIONS AND BENEFITS	77,256
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	1,487
931	RENTS	1,027
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	277,523
935	MAINTENANCE OF GENERAL PLANT	5,116
	TOTAL ADM & GEN EXPENSES	282,638
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	4,861,136
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	4,861,136
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 1
POWER BILL - - April, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF April, 2020
 KWH FOR THE MONTH

62,471,783

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	342,016
Return on Other Capital	84,488
Total Return	----- 426,504
Fuel	1,671,634
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	455,393
Depreciation Expense	569,399
Taxes Other Than Federal Income Tax	83,594
Federal Income Tax	(45,667)
TOTAL CURRENT UNIT POWER BILL	----- 3,158,232 -----

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	3,496

TOTAL PRIOR MONTH'S ADJUSTMENTS -----
3,496

=====

TOTAL UNIT POWER BILL 3,161,729
=====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

1,490,094.07

DUE DATE - - - May 21, 2020

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus
 Diane Keegan - Columbus

AEP GENERATING COMPANY
ONE RIVERSIDE PLAZA,COLUMBUS,OH 43215
TELEPHONE (614) 716-3724

INDIANA MICHIGAN POWER COMPANY
P. O. BOX 60
FORT WAYNE, IN 46801

ESTIMATE
19-May-20

UNIT 1
POWER BILL - - April, 2020

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF April, 2020
 KWH FOR THE MONTH

145,767,417

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	798,037
Return on Other Capital	197,140
Total Return	995,177
Fuel	3,900,480
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	1,062,585
Depreciation Expense	1,328,597
Taxes Other Than Federal Income Tax	195,053
Federal Income Tax	(106,557)
TOTAL UNIT POWER BILL	7,369,210

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel	0
Other Expenses (Includes taxes & interest)	8,159

TOTAL PRIOR MONTH'S ADJUSTMENTS

8,159

TOTAL UNIT POWER BILL

7,377,369

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

3,476,888.92

DUE DATE - - - May 21, 2020

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus Kevin Amburgey-Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

April, 2020

19-May-20

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	1,140,053	342,016	798,037
Return on Other Capital	281,628	84,488	197,140
Total Return	1,421,681	426,504	995,177
+ Fuel	5,572,115	1,671,634	3,900,480
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	1,517,978	455,393	1,062,585
+ Depreciation Expense	1,897,996	569,399	1,328,597
+ Taxes Other Than Federal Income Tax	278,647	83,594	195,053
+ Federal and State Income Tax	0	0	0
= Total Unit 1 Monthly Power Bill	10,679,667	3,203,899	7,475,767
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,421,681	426,504	995,177
+ Unit 1 Schedule M Adjustments	0	0	0
+ Unit 1 Deferred Federal Income Taxes	-	-	-
- Unit 1 Interest Expense Deduction *	286,536	85,961	200,575
= Subtotal	1,135,145	340,543	794,602
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 1 Current Federal Income Tax	0	0	0
+ Unit 1 Def Fed & State Income Taxes	-	0	0
= Total Unit 1 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	10,679,667	3,203,899	7,475,767
- Operation and Maintenance Expenses	7,090,093	2,127,027	4,963,065
- Depreciation Expense	1,897,996	569,399	1,328,597
- Taxes Other Than Federal Income Tax	278,647	83,594	195,053
- Unit 1 Interest Expense Deduction *	286,536	85,961	200,575
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	1,135,145	340,543	794,602
+ Unit 1 Schedule M Adjustments	0	0	0
= Unit 1 Taxable Income	1,135,145	340,543	794,602
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 1 Current Federal Income Tax	(416,462)	(124,938)	(291,524)
+ Unit 1 Def Fed & State Income Taxes	-	0	0
= Total Unit 1 Fed&State Income Taxes	(416,462)	(124,938)	(291,524)

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

ITERATION
 TO CALC C

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 1 April, 2020</u>
1	<u>Operating Ratio:</u>	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,107,959,410
4	- Accumulated Depreciation	798,768,709
5	+ Materials & Supplies	69,459,173
6	+ Prepayments	206,666
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(26,061,697)
10	+ Unamortized Debt Expense (A/C 181)	417,632
11	+ Deferred ASH pond cost (A/C182.3)	2,276,804
12	- Asset Retirement Obligation (A/C 230)	19,988,979
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	147,830,295
15	- Accumulated Deferred ITC	5,417,844
16	Total Net In-Service Investment	----- 182,252,159 -----
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	119,178,451
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 119,178,451 -----
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	1,034,099
24	+ Other Deferred Debits (A/C 186) **	2,413,736
25	+ Fuel Inventory Over Allowed Level ****	16,629,506
26	Total Non-In-Service Investment - Other	----- 20,077,341 -----
27	Total Investment (Lines 16+21+26)	----- 321,507,951 =====
28	Operating Ratio (Line 16/Line 27)	56.6867%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	37.0686%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	6.2447%
31	Total Investment	----- 100.0000% =====

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>		<u>UNIT 1 April, 2020</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	892,203,529
4	- Accumulated Depreciation	535,215,581
5	+ Materials & Supplies	42,729,536
6	+ Prepayments	103,333
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	(11,803,483)
10	+ Unamortized Debt Expense (A/C 181)	208,816
11	+ Deferred ASH pond cost (A/C182.3)	1,138,402
12	- Asset Retirement Obligation (A/C 230)	9,994,490
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	137,950,025
15	- Accumulated Deferred ITC	0
16	Total Unit 1 Net In-Service Investment	----- 241,420,036 -----
17	Unit 2 Net In-Service Investment:	
18	Electric Plant In-Service	215,755,881
19	- Accumulated Depreciation	263,553,129
20	+ Materials & Supplies	26,729,636
21	+ Prepayments	103,333
22	+ Plant Held For Future Use (A/C 105) *	0
23	+ Other Deferred Debits (A/C 186) *	0
24	+ Other Working Capital **	(14,258,214)
25	+ Unamortized Debt Expense (A/C 181)	208,816
26	+ Deferred ASH pond cost (A/C182.3)	1,138,402
27	- Asset Retirement Obligation (A/C 230)	9,994,490
28	- Other Deferred Credits (A/C 253)	0
29	- Accumulated Deferred FIT	9,880,269
30	- Accumulated Deferred ITC	5,417,844
31	Total Unit 2 Net In-Service Investment	----- (59,167,877) -----
32	Total Net In-Service Investment	----- 182,252,159 =====
33	<u>Net In-Service Investment Ratio:</u>	
34	Unit 1 (Line 16 / Line 32)	132.4600%
35	Unit 2 (Line 31 / Line 32)	-32.4600%
		----- 100.0000% =====

* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 1 April, 2020</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	24,734,757
4	+ Preferred Stock	0
5	+ Common Equity	153,235,855
6	- Temporary Cash Investments	0
7	Net Capitalization	----- 372,970,612 =====
8	40% of Net Capitalization	149,188,245
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	149,188,245
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,511,769
13	x Operating Ratio	56.6867%
14	x Net In-Service Investment Ratio	132.4600%
15	= Subtotal	1,135,145
16	Excess of Line 5 Over Line 8	4,047,610
17	x Weighted Cost of Debt (Monthly Rate)	0.1615%
18	= Return on Equity over 40% of Capitalization	6,537
19	x Operating Ratio	56.6867%
20	x Net In-Service Investment Ratio	132.4600%
21	= Subtotal	----- 4,908 =====
22	Unit 1 Return on Equity (Line 15 + Line 21)	1,140,053 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	303,693
25	+ Short-Term Debt Interest Expense (a/c 430)	71,375
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	0
28	= Net Interest Expense	----- 375,068 -----
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	375,068
31	x Operating Ratio	56.6867%
32	x Net In-Service Investment Ratio	132.4600%
33	= Unit 1 Return on Other Capital	----- 281,628 =====
	* Line 6 x Line 19 from Pg 6 of 18	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT**

Pg 6 of 18

<u>Line No.</u>	<u>UNIT 1 April, 2020</u>
1	<u>Debt Balances (Prior Month Ending) :</u>
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 24,734,757
4	+ Other Debt (Accts 132 thru 136 + 145) 0
5	Total Debt Balances (Prior Month Ending) 219,734,757 =====
6	<u>Weighting of Debt Balances :</u>
7	Long-Term Debt (LTD bal/Total Debt bal) 88.7434%
8	+ Short-Term Debt (STD bal/Total Debt bal) 11.2566%
9	+ Other Debt 0.0000%
10	Total Debt Balances 100.0000% =====
11	<u>Debt Cost Rates :</u>
12	Long-Term Debt (avg LTD int rate) 1.9000%
13	Short-Term Debt (avg Money Pool STD int rate) 2.5208%
14	Other Debt 0.0000%
15	<u>Weighted Cost of Debt :</u>
16	Long-Term Debt (LTD % x avg LTD int rate) 1.6861%
17	+ Short-Term Debt (STD % x avg MP STD int rate) 0.2838%
18	+ Other Debt 0.0000%
19	Total Weighted Cost of Debt 1.9699% =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

Pg 7 of 18

UNIT 1

April, 2020

<u>Line No.</u>		
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	33,451,104
3	Fuel Stock Expenses - Undistributed (152)	1,532,289
4	Fuel Stock - Oil (151)	868,991
5	Plant Materials & Operating Supplies	6,877,152
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	42,729,536
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	33,451,104
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	33,451,104
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,132,941
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	4710.0
16	= Tons Consumed per Hour	240.54
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	5772.96
19	x 68 days	68
20	= 68 day Supply (Tons)	392,561
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	44.230
22	= 68 day Coal Inventory	17,362,973
23	Lesser of Imputed or Capped Coal Inventory	17,362,973
24	Imputed Inventory Minus Line 23	16,088,131
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	9,829,275
27	+ Current Month Return on Beginning Balance	60,303
28	+ Current Month Deferral	4,970,800
29	- Current Month Recovery	0
30	= Ending Balance **	14,860,378

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 April, 2020</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 April, 2020</u>
1	500,502-508	Steam Power Generation - Operation	894,819
2	501	Fuel - Operation	5,572,115
3	510-515	Steam Power Generating - Maintenance	437,748
4		Total Steam Power Generation Expenses	6,904,681
5	555-557	Other Power Supply Expenses	6,439
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	164,409
16	935	Administrative and General Expenses - Maintenance	14,563
17		Total Administrative & General Exp.	178,972
18		Total Operation & Maintenance Expenses	7,090,093

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF DEPRECIATION EXPENSE
 AND AMORTIZATION EXPENSES**

Pg 10 of 18

			UNIT 1
			<u>April, 2020</u>
<u>Line</u>	<u>Account</u>	<u>Description</u>	
<u>No.</u>	<u>No.</u>		
	1 403	Depreciation Expense	1,802,688
1a	403.1	ARO Depreciation Expense	53,290
	2 404	Amortization of Limited-Term Electric Plant	517
	3 405	Amortization of Other Electric Plant	0
	4 406	Amortization of Electric Plant Acquisition Adjustments	0
	5 407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			<hr/>
	6	Total Depreciation Exp. & Amortization	1,856,495
			=====
	7 411.10	ARO Accretion Expense	41,501
	8	Total Depreciation, Amortization & Accretion Expenses	1,897,996

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 April, 2020</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	141,895
2	409.1	State Income Taxes	136,752
3		Total Taxes Other than FIT	----- 278,647 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 1 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

Pg 12 of 18

**UNIT 1
 April, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 1 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 1 Schedule `M' Adjustments	0	0	0
6		<u>Unit 1 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	410.1&411.1	Other Unit 1 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	-	-	-
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 1 Deferred Federal Income Tax	-	-	-

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

Pg 13 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 April, 2020</u>
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	886,892,501
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	5,311,028
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	892,203,529
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	534,594,920
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	620,661
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	535,215,581
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	34,320,095
22	152	Fuel Stock Expenses - Undistributed	1,532,289
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,877,152
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	42,729,536
29	165	Prepayments	103,333
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 13a of 18
OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>April, 2020</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	8,151,086
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(69,577)
9	234	Accounts Payable-Associated Company	(8,105,182)
10	236	Taxes Accrued	(10,446,115)
11	237	Interest Accrued	(773,180)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(560,516)
15		Total Other Working Capital	(11,803,483)
			=====
16	181	Unamortized Debt Expense	208,816
17	253	Other Deferred Credits	0

* debit <credit>

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 April, 2020</u>
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	(81,968,741)
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	54,777,228
35	283	+Accumulated Deferred Income Taxes - Other	1,204,057
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 137,950,025 -----
37	255	+Accumulated Deferred Investment Tax Credits	0
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 0 -----
40		Total Net In-Service Investment - Unit 1	----- 250,276,124 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER**

Pg 15 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>April, 2020</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	119,178,451
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 119,178,451 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,034,099
19	186	Other Deferred Debits	2,413,736
20	151.10	Fuel Inventory Over Allowed Level *	0
21		Total Non-In-Service Investment - Other	----- 3,447,835 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	0
		TOTAL	----- 0 =====

Revised version from lines above

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

Pg 16 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 April, 2020</u>
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	383,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	117,228,987
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	35,623,868
21		Total Retained Earnings	35,623,868
22		Total Common Equity	153,235,855
23		<u>PREFERED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

**UNIT 1
April, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	195,000,000
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
37	233.00	Notes Payable, Assoc Co(Money Pool)	24,734,757
38		Total Short-Term Debt	24,734,757
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	0
44		Total Temporary Cash Investments	0
45		NET CAPITALIZATION	372,970,612

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

<u>Line No.</u>		<u>UNIT 1</u> <u>April, 2020</u>
1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	24,734,757
4	+ Preferred Stock	0
5	+ Common Equity (Accts 201 thru 216)	153,235,855
6	- Capitalization Offsets	0

7	Total Capitalization Balances	372,970,612
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt (LTD/Total Capital)	52.2829%
10	+ Short-Term Debt (STD/Total Capital)	6.6318%
11	+ Preferred Stock	0.0000%
12	+ Common Equity (Common Equity/Total Capital)	41.0852%
13	- Capitalization Offsets	-0.0001%

14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt (avg LTD int rate)	1.9000%
17	Short-Term Debt (avg money pool STD int rate)	2.5208%
18	Preferred Stock	0.0000%
19	Common Equity (FERC fixed rate)	12.1600%
20	Capitalization Offsets (sum of weighted costs of debt)	1.9699%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt (LTD % x avg LTD int rate)	0.9934%
23	+ Short-Term Debt (STD % x avg MP STD int rate)	0.1672%
24	+ Preferred Stock	0.0000%
25	+ Common Equity (CE % x FERC fixed rate)	4.9960%
26	- Capitalization Offsets	0.0000%

27	Total Rate of Return (Net of Tax)	6.1566%
		=====
28	Weighted Net Cost of Debt	1.1606%
	(LTD Rate of Return + STD RR - Cap Offsets RR)	
29	+ Pre-Tax Common Equity (Line 25 / .79)	6.3241%
	(Common Equity Rate of Return grossed up for tax)	-----
30	= Rate of Return (Pre-Tax)	7.4847%
		=====

A E P GENERATING COMPANY

**April, 2020
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

500	SUPERVISION AND ENGINEERING	96,326
501	FUEL	5,572,115
502	STEAM EXPENSES	650,659
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	30,490
506	MISC. STEAM POWER EXPENSES	117,345
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	6,466,934
510	MAINTENANCE SUPER. AND ENGINEERING	79,984
511	MAINTENANCE OF STRUCTURES	13,549
512	MAINTENANCE OF BOILER PLANT	163,925
513	MAINTENANCE OF ELECTRIC PLANT	145,334
514	MAINTENANCE OF MISC. STEAM PLANT	34,955
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	437,748
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	1,780
557	OTHER POWER SUPPLY EXPENSES	4,659
	TOTAL OTHER SUPPLY EXPENSES	6,439

IS FUEL IN BALANCE
 ON PAGE 2

AMOUNT MUST BE ZERO
 0

NO OF DAYS IN CURRENT MO	30
NO OF DAYS IN CURRENT YEAR	366
CURRENT YEAR IS	2020
CURRENT MONTH IS	4
THIS BILLING IS FOR MONTH OF	April, 2020

A E P GENERATING COMPANY

**April, 2020
 ESTIMATE**

**ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	2,649
921	OFFICE SUPPLIES AND EXPENSES	8,789
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	76,027
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	8,466
926	EMPLOYEE PENSIONS AND BENEFITS	29,191
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	3,332
931	RENTS	3,803
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	164,409
935	MAINTENANCE OF GENERAL PLANT	14,563
	TOTAL ADM & GEN EXPENSES	178,972
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	7,090,093
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	7,090,093
	-----DIFFERENCE-----	0

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**INDIANA MICHIGAN POWER COMPANY
 P. O. BOX 60
 FORT WAYNE, IN 46801**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - April, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF April, 2020
 KWH FOR THE MONTH 0

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	(196,195)
Return on Other Capital	(48,466)
Total Return	----- (244,661)
Fuel	34,452
Purchased Power	0
Other Operating Revenues	(6,125)
Other Operation and Maintenance Exp	4,666,530
Depreciation Expense	2,261,488
Taxes Other Than Federal Income Tax	192,480
Federal Income Tax	(106,557)
TOTAL CURRENT UNIT POWER BILL	----- 6,797,607 -----
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	8,159
TOTAL PRIOR MONTH'S ADJUSTMENTS	----- 8,159 -----
TOTAL UNIT POWER BILL	=====
	6,805,767
	=====
AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.	6,771,314.22

DUE DATE - - May 21, 2020

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724**

**KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101**

**ESTIMATE
 19-May-20**

**UNIT 2
POWER BILL - - April, 2020**

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF April, 2020
 KWH FOR THE MONTH

0

SUMMARY

TOTAL

Current Month Bill:

Return on Common Equity	(84,083)
Return on Other Capital	(20,771)
Total Return	(104,854)
Fuel	14,765
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	1,999,942
Depreciation Expense	969,210
Taxes Other Than Federal Income Tax	82,492
Federal Income Tax	(45,667)

TOTAL CURRENT UNIT POWER BILL 2,913,263
 =====

Prior Month's Adjustment:

Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses (Includes taxes & interest)	3,496

TOTAL PRIOR MONTH'S ADJUSTMENTS 3,496

TOTAL UNIT POWER BILL 2,916,759
 =====

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

2,901,994.07

DUE DATE - - May 21, 2020

Cc: Steve Hornyak - Columbus Kurt C Cooper - Ft Wayne
 Dave Hille - Ft. Wayne Shannon Listebarger - Columbus
 Mike Stout - Ft. Wayne
 Mike Giardina - Columbus
 Sid Lyons - Columbus Michelle Howell - Columbus

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 SUMMARY OF MONTHLY POWER BILL**

**ESTIMATE
 Pg 2 of 18**

April, 2020

19-May-20

	TOTAL UNIT 2 POWER BILL	KPCO SHARE	I&M SHARE
Return on Common Equity	(280,278)	(84,083)	(196,195)
Return on Other Capital	(69,237)	(20,771)	(48,466)
Total Return	(349,515)	(104,854)	(244,661)
+ Fuel	49,218	14,765	34,452
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	6,666,472	1,999,942	4,666,530
+ Depreciation Expense	3,230,698	969,210	2,261,488
+ Taxes Other Than Federal Income Tax	274,972	82,492	192,480
+ Federal and State Income Tax	0	0	0
= Total Unit 2 Monthly Power Bill	9,863,095	2,958,930	6,904,165
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	(349,515)	(104,854)	(244,661)
+ Unit 2 Schedule M Adjustments	0	0	0
+ Unit 2 Deferred Federal Income Taxes	0	0	0
- Unit 2 Interest Expense Deduction *	(70,444)	(21,133)	(49,311)
= Subtotal	(279,071)	(83,721)	(195,350)
x Gross-Up (FIT Rate / 1-FIT Rate)	0.000000	0.000000	0.000000
= Unit 2 Current Federal Income Tax	0	0	0
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	0	0	0
<u>Proof of Federal Income Tax :</u>			
Total Unit 2 Monthly Power Bill	9,863,095	2,958,930	6,904,165
- Operation and Maintenance Expenses	6,715,689	2,014,707	4,700,982
- Depreciation Expense	3,230,698	969,210	2,261,488
- Taxes Other Than Federal Income Tax	274,972	82,492	192,480
- Unit 2 Interest Expense Deduction *	(70,444)	(21,133)	(49,311)
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	(279,071)	(83,721)	(195,350)
+ Unit 2 Schedule M Adjustments	0	0	0
= Unit 2 Taxable Income	(279,071)	(83,721)	(195,350)
x Current Federal Income Tax Rate	-37%	-37%	-37%
= Unit 2 Current Federal Income Tax	102,386	30,716	71,670
+ Unit 2 Def Fed & State Income Taxes	0	0	0
= Total Unit 2 Fed&State Income Taxes	102,386	30,716	71,670

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
OPERATING RATIO**

Pg 3 of 18

<u>Line No.</u>		<u>UNIT 2 April, 2020</u>
1	Operating Ratio:	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	1,107,959,410
4	- Accumulated Depreciation	798,768,709
5	+ Materials & Supplies	69,459,173
6	+ Prepayments	206,666
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(26,061,697)
10	+ Unamortized Debt Expense (A/C 181)	417,632
11	+ Deferred ASH pond cost (A/C182.3)	2,276,804
12	- Asset Retirement Obligation (A/C 230)	19,988,979
13	- Other Deferred Credits (A/C 253)	0
14	- Accumulated Deferred FIT	147,830,295
15	- Accumulated Deferred ITC	5,417,844
16	Total Net In-Service Investment	----- 182,252,159
17	<u>Non-In-Service Investment - CWIP :</u>	
18	Construction Work In Progress	119,178,451
19	+ Materials & Supplies	0
20	- Accumulated Deferred FIT	0
21	Total Non-In-Service Investment - CWIP	----- 119,178,451
22	<u>Non-In-Service Investment - Other :</u>	
23	Plant Held for Future Use (A/C 105) **	0
24	+ Other Deferred Debits (A/C 186) **	2,413,736
25	+ Fuel Inventory Over Allowed Level ****	16,629,506
26	Total Non-In-Service Investment - Other	----- 19,043,242
27	Total Investment (Lines 16+21+26)	----- 320,473,851 =====
28	Operating Ratio (Line 16/Line 27)	56.8696%
29	Non-In-Service Investment-CWIP Ratio (Line 21/Line 27)	37.1882%
30	Non-In-Service Investment-Other Ratio (Line 26/Line 27)	5.9422%
31	Total Investment	----- 100.0000% =====
	* As Permitted By FERC	
	** Excluding Amounts on Lines 7 and 8	
	*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	
	**** Includes Rockport 1 and 2	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 NET IN-SERVICE INVESTMENT RATIO**

Pg 4 of 18

<u>Line No.</u>	<u>UNIT 2 April, 2020</u>	
1		Net In-Service Investment Ratio:
2		<u>Unit 2 Net In-Service Investment:</u>
3	215,755,881	Electric Plant In-Service
4	263,553,129	- Accumulated Depreciation
5	26,729,636	+ Materials & Supplies
6	103,333	+ Prepayments
7	0	+ Plant Held For Future Use (A/C 105) *
8	0	+ Other Deferred Debits (A/C 186) *
9	(14,258,214)	+ Other Working Capital **
10	208,816	+ Unamortized Debt Expense (A/C 181)
11	1,138,402	+ Deferred ASH pond cost (A/C182.3)
12	9,994,490	- Asset Retirement Obligation (A/C 230)
13	0	- Other Deferred Credits (A/C 253)
14	9,880,269	- Accumulated Deferred FIT
15	5,417,844	- Accumulated Deferred ITC
16	----- (59,167,877) -----	Total Unit 2 Net In-Service Investment
17		<u>Unit 1 Net In-Service Investment:</u>
18	892,203,529	Electric Plant In-Service
19	535,215,581	- Accumulated Depreciation
20	42,729,536	+ Materials & Supplies
21	103,333	+ Prepayments
22	0	+ Plant Held For Future Use (A/C 105) *
23	0	+ Other Deferred Debits (A/C 186) *
24	(11,803,483)	+ Other Working Capital **
25	208,816	+ Unamortized Debt Expense (A/C 181)
26	1,138,402	+ Deferred ASH pond cost (A/C182.3)
27	9,994,490	- Asset Retirement Obligation (A/C 230)
28	0	- Other Deferred Credits (A/C 253)
29	137,950,025	- Accumulated Deferred FIT
30	0	- Accumulated Deferred ITC
31	----- 241,420,036 -----	Total Unit 1 Net In-Service Investment
32	----- 182,252,159 =====	Total Net In-Service Investment
33		<u>Net In-Service Investment Ratio:</u>
34	-32.4600%	Unit 2 (Line 16 / Line 32)
35	132.4600%	Unit 1 (Line 31 / Line 32)
	----- 100.0000% =====	
		* As Permitted By FERC

** Accounts 128, 131, 135, 143, 146, 171 and 174,
 Less Accounts 232-234, 236, 237, 238, 241 and 242

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 CALCULATION OF RETURNS ON
COMMON EQUITY & OTHER CAPITAL**

Pg 5 of 18

<u>Line No.</u>		<u>UNIT 2 April, 2020</u>
1	Net Capitalization:	
2	Long-Term Debt	195,000,000
3	+ Short-Term Debt	24,734,757
4	+ Preferred Stock	0
5	+ Common Equity	153,235,855
6	- Temporary Cash Investments	0

7	Net Capitalization	372,970,612
		=====
8	40% of Net Capitalization	149,188,245
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	149,188,245
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	1,511,769
13	x Operating Ratio	56.8696%
14	x Net In-Service Investment Ratio	-32.4600%
15	= Subtotal	(279,071)
16	Excess of Line 5 Over Line 8	4,047,610
17	x Weighted Cost of Debt (Monthly Rate)	0.1615%
18	= Return on Equity over 40% of Capitalization	6,537
19	x Operating Ratio	56.8696%
20	x Net In-Service Investment Ratio	-32.4600%
21	= Subtotal	(1,207)

22	Unit 2 Return on Equity (Line 15 + Line 21)	(280,278)
		=====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (A/C 427-429)	303,693
25	+ Short-Term Debt Interest Expense (a/c 430)	71,375
26	+ Other Interest Expense (a/c 431)	0
27	- Temporary Cash Investment Income *	0

28	= Net Interest Expense	375,068
29	+ Preferred Stock Dividends (a/c 437)	0

30	= Net Cost of Other Capital	375,068
31	x Operating Ratio	56.8696%
32	x Net In-Service Investment Ratio	-32.4600%
33	= Unit 2 Return on Other Capital	(69,237)
		=====

* Line 6 x Line 19 from Pg 6 of 18

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 6 of 18
DETERMINATION OF WEIGHTED COST OF DEBT

<u>Line No.</u>		<u>UNIT 2</u> <u>April, 2020</u>
1	Debt Balances (Prior Month Ending) :	
2	Long-Term Debt (Accts 221 thru 226)	195,000,000
3	+ Short-Term Debt (Accts 231 + 233)	24,734,757
4	+ Other Debt (Accts 132 thru 136 + 145)	0

5	Total Debt Balances (Prior Month Ending)	219,734,757
		=====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt (LTD bal/Total Debt bal)	88.7434%
8	+ Short-Term Debt (STD bal/Total Debt bal)	11.2566%
9	+ Other Debt	0.0000%

10	Total Debt Balances	100.0000%
		=====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt (avg LTD int rate)	1.9000%
13	Short-Term Debt (avg Money Pool STD int rate)	2.5208%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt (LTD % x avg LTD int rate)	1.6861%
17	+ Short-Term Debt (STD % x avg MP STD int rate)	0.2838%
18	+ Other Debt	0.0000%

19	Total Weighted Cost of Debt	1.9699%
		=====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF UNIT 2 MATERIALS AND SUPPLIES**

Pg 7 of 18

INCLUDE A/C 431 ON PG 5

UNIT 2

**Line
 No.**

April, 2020

1	Unit 2 Materials and Supplies:	
2	Fuel Stock - Coal (per Line 23)	17,451,204
3	Fuel Stock Expenses - Undistributed (152)	1,532,289
4	Fuel Stock - Oil (151)	868,991
5	Plant Materials & Operating Supplies	6,877,152
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	26,729,636
		=====
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	33,451,104
11	+ Equivalent Inventory re: Deferred Return	0
12	= Imputed Coal Inventory	33,451,104

13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed - CHANGE ANNUALLY FROM DEC PG 24	1,163,326
15	/ Hours Available * CHG ANNUALLY FROM GADS RPT 511	4992.0
16	= Tons Consumed per Hour	233.04
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	5592.96
19	x 68 days	68
20	= 68 day Supply (Tons)	380,321
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	44.230
22	= 68 day Coal Inventory	16,821,598

23	Lesser of Imputed or Capped Coal Inventory	16,821,598

24	Imputed Inventory Minus Line 23	16,629,506
		=====
25	<u>Accumulated Deferred Inventory Return - Unit 2 (Memo Item):</u>	
26	Beginning Balance	0
27	+ Current Month Return on Beginning Balance	0
28	+ Current Month Deferral	0
29	- Current Month Recovery	0
30	= Ending Balance **	0

		=====

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

Total Unit 2 Monthly Power Bill with Actual	0
Total Unit 2 Monthly Power Bill with 68 Day Capped	0
Difference	0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES**

Pg 8 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 April, 2020</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/Gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	----- (8,750) =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF OPERATION & MAINTENANCE EXPENSES**

Pg 9 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 April, 2020</u>
1	500,502-508	Steam Power Generation - Operation	6,008,331
2	501	Fuel - Operation	49,218
3	510-515	Steam Power Generating - Maintenance	469,250
4		Total Steam Power Generation Expenses	----- 6,526,799
5	555-557	Other Power Supply Expenses	----- 6,439
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	----- 0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expennse - Maintenance	0
11		Total Distribution Expennse	----- 0
12	901-905	Customer Accounts Expenses - Operation	----- 0
13	906-910	Customer Service and Informational Expenses - Operation	----- 0
14	911-917	Sales Expenses - Operation	----- 0
15	920-933	Administrative and General Expenses - Operation	167,888
16	935	Administrative and General Expenses - Maintenance	14,563
17		Total Administrative & General Exp.	----- 182,451
18		Total Operation & Maintenance Expenses	----- 6,715,689 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF DEPRECIATION & AMORTIZATION EXPENSES**

Pg 10 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 April, 2020</u>
1	403	Depreciation Expense *	2,417,655
1a	403.1	ARO Depreciation Expense	53,290
2	404	Amortization of Limited-Term Electric Plant **	718,253
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0
			-
6		Total Depreciation Exp. & Amortization	3,189,198 =
7	411.10	ARO Accretion Expense	41,501
8		Total Depreciation, Amortization & Accretion Expenses	3,230,698

* Rockport 2 Capitalized Spare Parts book depreciation rate = 3.52%

* Rockport 2 Associated Equipment (not sold in Sale/Leaseback transaction) book depreciation rate = 3.07 %

** Rockport 2 Leasehold Improvements Amortization rate = 3.03%

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES**

Pg 11 of 18

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>April, 2020</u>
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	138,220
2	409.1	State Income Taxes	136,752
3		Total Taxes Other than Federal Income Taxes	----- 274,972 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF UNIT 2 SCHEDULE `M' ADJUSTMENTS
 AND DEFERRED FEDERAL INCOME TAX**

**Pg 12 of 18
 UNIT 2
 April, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 2 Schedule `M' Adjustments*</u>			
2	N/A	Excess ACRS Over Normalization Base Depreciation	0	0	0
3	N/A	Excess Normalization Base Over Book Depreciation	0	0	0
4	N/A	Other Unit 2 Schedule `M' Adjustments	0	0	0
5	***	Total Unit 2 Schedule `M' Adjustments	0	0	0
6		<u>Unit 2 Deferred Federal Income Tax</u>			
7	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	0	0	0
8	10.1&411.	Other Unit 2 Schedule `M' Adjustments -			
9	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 2 Negative Amount Denotes Reduction.	0	0	0
10	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 2	0	0	0
11	411.1	Feedback of Accumulated DFIT re: Other Schedule `M' Adj.-Utility	0	0	0
12	***	Total Unit 2 Deferred Federal Income Tax	0	0	0

*** Positive Amount Denotes Increase In Taxable Income,
 Negative Amount Denotes Reduction.

Check Figure on Tax Page for Sch M 0
 Check Figure on Tax Page for DFIT 0

NOTE: If the words SEE NOTE appear in this schedule, then the bill has not been properly identified as the ESTIMATE or ACTUAL on the INSTRUCTIONS tab (L6), and should be type in all capital letters

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2**

Pg 13 of 18

**UNIT 2
April, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	214,557,047
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	1,198,834
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	----- 215,755,881
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	195,792,498
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	67,760,631
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	----- 263,553,129
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	18,320,195
22	152	Fuel Stock Expenses - Undistributed	1,532,289
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	6,877,152
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	----- 26,729,636
29	165	Prepayments	----- 103,333
30	186	Other Deferred Debits	----- 0

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL** Pg 13a of 18
**OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
 AND OTHER DEFERRED CREDITS**

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 2 April, 2020</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	8,151,086
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(69,577)
9	234	Accounts Payable-Associated Company	(8,105,182)
10	236	Taxes Accrued	(10,446,115)
11	237	Interest Accrued	(773,180)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	(3,015,246)
15		Total Other Working Capital	(14,258,214)
			=====
16	181	Unamortized Debt Expense	208,816
17	253	Other Deferred Credits	0

*		debit <credit>	

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NET IN-SERVICE INVESTMENT UNIT 2(Cont'd)**

Pg 14 of 18

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2 April, 2020</u>
31		ACCUMULATED DEFERRED INCOME TAXES	
32	190	-Accumulated Deferred Income Taxes	142,621,502
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	151,412,586
35	283	+Accumulated Deferred Income Taxes - Other	1,089,186
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	----- 9,880,269
37	255	+Accumulated Deferred Investment Tax Credits	5,417,844
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	----- 5,417,844
40		Total Net In-Service Investment - Unit 2	----- (50,311,790) =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 15 of 18
DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 2</u> <u>April, 2020</u>
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	119,178,451
2		<u>MATERIAL AND SUPPLIES</u>	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	----- 0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	----- 0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	----- 119,178,451 =====
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	0
19	186	Other Deferred Debits	2,413,736
20	151.10	Fuel Inventory Over Allowed Level *	16,629,506
21		Total Non-In-Service Investment - Other	----- 19,043,242 =====
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	0
		UNIT 2	16,629,506
		TOTAL	----- 16,629,506 =====

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 2
April, 2020**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	383,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	----- 383,000 -----
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	117,228,987
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	----- 117,228,987 -----
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	35,623,868
21		Total Retained Earnings	----- 35,623,868 -----
22		Total Common Equity	----- 153,235,855 -----
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	----- 0 -----

**AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)**

Pg 17 of 18

UNIT 2
April, 2020

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	195,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	0
35		Total Long-Term Debt	----- 195,000,000 -----
		<u>SHORT-TERM DEBT</u>	
36a	231.02	Notes Payable (Short-Term Debt)	0
36b	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	24,734,757
38		Total Short-Term Debt	----- 24,734,757 -----
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	0
44		Total Temporary Cash Investments	----- 0 -----
45		NET CAPITALIZATION	----- 372,970,612 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Page 18 of 18
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)

<u>Line No.</u>	<u>UNIT 2</u> <u>April, 2020</u>
1	Capitalization Balances (Prior Month Ending) :
2	Long-Term Debt (Accts 221 thru 226) 195,000,000
3	+ Short-Term Debt (Accts 231 + 233) 24,734,757
4	+ Preferred Stock 0
5	+ Common Equity (Accts 201 thru 216) 153,235,855
6	- Capitalization Offsets 0
7	Total Capitalization Balances 372,970,612 =====
8	<u>Weighting of Capitalization Balances :</u>
9	Long-Term Debt (LTD/Total Capital) 52.2829%
10	+ Short-Term Debt (STD/Total Capital) 6.6318%
11	+ Preferred Stock 0.0000%
12	+ Common Equity (Common Equity/Total Capital) 41.0852%
13	- Capitalization Offsets -0.0001%
14	Total Capitalization 100.0000% =====
15	<u>Capitalization Cost Rates :</u>
16	Long-Term Debt (avg LTD int rate) 1.9000%
17	Short-Term Debt (avg money pool STD int rate) 2.5208%
18	Preferred Stock 0.0000%
19	Common Equity (FERC fixed rate) 12.1600%
20	Capitalization Offsets (sum of weighted costs of debt) 1.9699%
21	<u>Rate of Return (Net of Tax) :</u>
22	Long-Term Debt (LTD % x avg LTD int rate) 0.9934%
23	+ Short-Term Debt (STD % x avg MP STD int rate) 0.1672%
24	+ Preferred Stock 0.0000%
25	+ Common Equity (CE % x FERC fixed rate) 4.9960%
26	- Capitalization Offsets 0.0000%
27	Total Rate of Return (Net of Tax) 6.1566% =====
28	Weighted Net Cost of Debt 1.1606%
	(LTD Rate of Return + STD RR - Cap Offsets RR)
29	+ Pre-Tax Common Equity (Line 25 / .79) 6.3241%
	(Common Equity Rate of Return grossed up for tax)
30	= Rate of Return (Pre-Tax) 7.4847% =====

A E P GENERATING COMPANY		April, 2020
ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2		ESTIMATE
<u>50% OWNERSHIP INTEREST OF ROCKPORT PLANT</u>		
500	SUPERVISION AND ENGINEERING	94,643
501	FUEL	49,218
502	STEAM EXPENSES	151,548
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	27,941
506	MISC. STEAM POWER EXPENSES	122,532
507	RENTS	5,611,667
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0
	TOTAL OPERATION EXPENSE	6,057,549
510	MAINTENANCE SUPER. AND ENGINEERING	80,012
511	MAINTENANCE OF STRUCTURES	8,024
512	MAINTENANCE OF BOILER PLANT	158,248
513	MAINTENANCE OF ELECTRIC PLANT	204,378
514	MAINTENANCE OF MISC. STEAM PLANT	18,588
515	MAINTENANCE NORMALIZING	0
	TOTAL MAINTENANCE EXPENSES	469,250
555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	1,780
557	OTHER POWER SUPPLY EXPENSES	4,659
	TOTAL OTHER SUPPLY EXPENSES	6,439

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO
0

BE SURE THIS IS CORRECT

NO OF DAYS IN CURRENT MO	>	30
NO OF DAYS IN CURRENT YEAR	>	366
CURRENT YEAR IS		2020
CURRENT MONTH IS		4
THIS BILLING IS FOR MONTH OF		April, 2020

A E P GENERATING COMPANY

**April, 2020
 ESTIMATE**

**ROCKPORT OPERATION & MAINTENANCE EXPENSES UNIT 2
50% OWNERSHIP INTEREST OF ROCKPORT PLANT**

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	4,222
921	OFFICE SUPPLIES AND EXPENSES	8,805
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	80,873
924	PROPERTY INSURANCE	32,151
925	INJURIES AND DAMAGES	8,466
926	EMPLOYEE PENSIONS AND BENEFITS	29,191
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	3,332
931	RENTS	848
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	167,888
935	MAINTENANCE OF GENERAL PLANT	14,563
	TOTAL ADM & GEN EXPENSES	182,451
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	6,715,689
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	6,715,689
	-----DIFFERENCE-----	0

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

KIUC 1-31 For the most recent 12-month period, please provide the Transmission Accounts settlement invoices submitted to Kentucky Power under the Transmission Agreement.

RESPONSE

The Company does not have "invoices" that are submitted to Kentucky Power under the Transmission Agreement. See KPCO_R_KIUC_1_31_Attachment1 for the calculated allocated monthly transmission expense for Kentucky Power for the most recent 12 month period.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

KIUC 1-32 Please refer to Sections 4.4.3.4 and 4.4.3 .5. Please describe AEP's current policy for pricing back-up service to cogenerators who experience unplanned outages. Please describe AEP's current policy for pricing maintenance service to cogenerators during planned outages.

RESPONSE

For customers with cogeneration that wish to acquire maintenance and backup service (collectively "standby service") the Company typically prices this service based on the unique attributes of each customer's load and cogeneration resource.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

- KIUC 1-33** Please refer to Section 3.5.8.
- a. For each transmission project listed, please provide the actual or forecasted cost.
 - b. For 2020, 2021 and 2022, please provide Kentucky Power's forecasted transmission rate base.

RESPONSE

a. The Cannonsburg- South Neal Project is the only project that has been completed to date. The final project cost was approximately \$13.9 million. All other project estimates can be found on the PJM website at: <https://www.pjm.com/planning/project-construction>

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b. The Company objects to this request to the extent that it seeks information that is outside the scope of this proceeding, and which is not reasonably calculated to lead to the discovery of admissible evidence regarding the Company's load projections and future resource actions. Subject to and without waiving these objections, the Company further states that its 2020 projected transmission revenue requirement is publicly available information filed with the Federal Energy Regulatory Commission ("FERC"). Please refer to Docket ER17-405 . Projected transmission revenue requirements for years 2021 and 2022 have not been determined.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

KIUC 1-34 Will any of the transmission projects listed in Section 3.5.8 be owned by AEP Kentucky Transmission Company? Please explain.

RESPONSE

The transmission projects listed in Section 3.5.8 will be owned primarily by Kentucky Power. While not relevant for purposes of these proceedings, AEP Kentucky Transmission Company may own specific discrete equipment within Kentucky Power-owned substations.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

KIUC 1-35 Please explain how the costs of AEP Kentucky Transmission Company are included in the rates of Kentucky Power.

RESPONSE

The Company objects to this request on the grounds that it seeks information that is outside the scope of the case and which is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence regarding the Company's load projections and future resource actions. Subject to and without waiving these objections, the Company states that assets put into service by AEP Kentucky Transmission Company, like those put into service by numerous other transmission owners in PJM, are included in Kentucky Power's PJM Network Integrated Transmission Service (NITS) expense.

The Company's PJM NITS expense includes costs incurred in the AEP Zone and regionally allocated costs as determined by PJM's tariff. The PJM NITS expense is allocated to the various load serving entities in the AEP zone, such as Kentucky Power, based on each load serving entity's load share within the AEP Zone.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

KIUC 1-36 Please explain how the costs of AEP Kentucky Transmission Company are handled in the AEP Transmission Agreement.

RESPONSE

The Company objects to this request on the grounds that it seeks information that is outside the scope of the case and which is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence regarding the Company's load projections and future resource actions. Subject to and without waiving these objections, the Company states that costs associated with AEP Kentucky Transmission Company are handled in the same manner as other costs incurred in the AEP Zone and regionally allocated costs as determined by PJM's tariff.

Witness: Brian K. West

Kentucky Power Company
KPSC Case No. 2019-00443
Kentucky Industrial Utility Customers First Set of Data Requests
Dated April 30, 2020

DATA REQUEST

KIUC 1-37 For the years 2020, 2021 and 2022, please provide the forecasted transmission rate base of AEP Kentucky Transmission Company.

RESPONSE

The Company objects to this request on the basis that it seeks information that is outside the scope of this proceeding, and which is not reasonably calculated to lead to the discovery of admissible evidence regarding the Company's load projections and future resource actions. AEP Kentucky Transmission Company is not a party to this proceeding and is not regulated by the Commission. This IRP is not filed on behalf of AEP Kentucky Transmission Company. Subject to and without waiving these objections, the Company further states that AEP Kentucky Transmission Company's 2020 projected transmission revenue requirement is publicly available in information filed with the Federal Energy Regulatory Commission ("FERC"). Please refer to Docket ER17-406. Projected transmission revenue requirements for years 2021 and 2022 have not been determined.

Witness: Brian K. West

VERIFICATION

The undersigned, John F. Torpey, being duly sworn, deposes and says he is the Managing Director of Resource Planning and Operation Analysis for the American Electric Power Service Corporation, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

John F Torpey

John F. Torpey

State of Indiana)
)
County of Allen)

Case No. 2019-00443

Subscribed and sworn before me, a Notary Public, by John F. Torpey this
19 day of May, 2020.

Regiana M.
Sistevaris

 Digitally signed by Regiana M.
Sistevaris
Date: 2020.05.19 15:21:03 -04'00'

Notary Public, Regiana Maria Sistevaris

My Commission Expires January 7, 2023

