

Projected Formula Rate for AEP East subsidiaries in PJM

To be Effective January 1, 2018 through December 31, 2018
Docket No ER17-405

Pursuant to PJM OATT Attachment H-14A (Formula Rate Implementation Protocols), AEP has calculated its Projected Transmission Revenue Requirements (PTRR) for the Rate Year beginning January 1, 2018 through December 31, 2018. All the files pertaining to the PTRR are to be posted on the PJM website in PDF format. The first file provides the PTRR and rates for Network transmission service and Scheduling System Control and Dispatch Service (Schedule 1A), and the annual transmission revenue requirement for RTEP projects (Schedule 12). An informational filing will also be submitted to the FERC.

AEP network service rate will increase effective January 1, 2018 from \$36,366.48 per MW per year to \$41,276.13 per MW per year with the AEP annual revenue requirement increasing from \$817,362,162 to \$894,041,051.

The AEP Schedule 1A rate decreased from \$.1000 per MWh to \$.0906 per MWh.

An annual revenue requirement of \$47,509,853 for RTEP projects (including true-up and interest) is to be collected under PJM Tariff Schedule 12. The RTEP Projected revenue requirement includes:

1. b0839 (Twin Branch) \$1,061,773
2. b0318 (Amos 765/138 kV Transformer) \$1,844,977
3. b0504 (Hanging Rock) \$939,995
4. b0570 (East Side Lima) \$210,943
5. b1034.1 (Torrey-West Canton) \$1,310,073
6. b1034.6 (138kV circuit South Canton Station) \$452,651
7. b1231 (West Moulton Station) \$1,241,923
8. b1465.2 (Rockport Jefferson 300 MVAR bank) \$88,868
9. b1465.3 (Rockport Jefferson 765 kV line) \$2,981,701
10. b1712.2 (Altavista-Leesville 138kV line) \$663,077
11. b1864.1 (OPCo Kammer 345/138 kV transformers) \$(72,890)
12. b1864.2 (West Bellaire-Brues 138 kV circuit) of \$223,002
13. b2020 (Rebuild Amos-Kanawha River) \$2,995,968
14. b2021 (APCo Kanawha River Gen Retirement Upgrades) \$390,406
15. b2017 (APCo Rebuild Sporn-Waterford Muskingum River 345kV line) \$2,019,107
16. b1659.14 (Ft. Wayne Relocate) \$(100,185)
17. b2048 (Tanners Creek-Transformer Replacement) \$113,634
18. b1818 (Expand the Allen Station) \$1,536,982
19. b1819 (Rebuild Robinson Park 138kV line corridor) \$565,261
20. b1465.4 (Switching imp at Sullivan Jefferson 765kV station) \$27,352
21. b2021 (OPCo 345/138kV Transformer) \$954,402
22. b2032 (Rebuild 138kV Elliott Tap-Poston) \$25,317
23. b1034.2 (Loop South Canton-Wayview) \$737,021

Projected Formula Rate for AEP East subsidiaries in PJM

**To be Effective January 1, 2018 through December 31, 2018
Docket No ER17-405**

- 24. b1034.7 (Replace circuit breakers Torrey/Wagenhals) \$877,975
- 25. b1970 (Reconductor Kammer-West Bellaire) \$164,042
- 26. b2018 (Loop Conesville-Bixby 345kV) \$2,816,835
- 27. b1032.4 (Loop the existing South Canton-Wayview 138kV circuit) \$260,669
- 28. b1666 (Build an 8 breaker 138kV station Fosteria-East Lima) \$665,312
- 29. b1957 (Terminate transformer #2 SW Lima) \$478,588
- 30. b1962 (Add four 765kV breakers Kammer) \$(34,095)
- 31. b2019 (Burger 345/138kV Station) \$1,606,229
- 32. b2017 (OPCo Reconductor Sporn-Waterford-Muskingum River) \$1,446,671
- 33. b1032.3 (Convert Ross-Circleville 138kV) \$(503,136)
- 34. b1660 (Install 765/500 kV transformer Cloverdale) \$(2,621,574)
- 35. b1660.1 (Cloverdale Establish 500 kV station) \$(1,736,972)
- 36. b1663.2 (Jacksons-Ferry 765kV breakers) \$1,245,257
- 37. b1875 (138 kV Bradley to McClung upgrades) \$125,263
- 38. b1797.1 (Reconductor Cloverdale-Lexington 500 kV line) \$11,200,620
- 39. b1712.1 (Altavista-Leesville 138kV line) \$77,576
- 40. b1032.2 (Two 138kV outlets to Delano&Camp) \$10,648
- 41. b1818 (Expand Allen w/345/138kV xfmr) \$102,456
- 42. b2687.1 (Install a 450 MVAR SVC Jacksons Ferry 765kV Substation) \$9,725,135
- 43. b2687.2 (Install 300MVAR shunt line reactor) \$1,387,434
- 44. b1870 (Replace Ohio Central Tfmr) \$3,561