

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2014 and Projected Net Plant at Year-End 2015

AEP OHIO TRANSMISSION COMPANY

Line No.			Total	Allocator	Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 136)			\$191,068,558
2	REVENUE CREDITS	(Note A) (Worksheet E)	46,750	DA 1.00000	\$ 46,750
3	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2)			<u>\$ 191,021,808</u>

MEMO: The Carrying Charge Calculations on lines 6 to 11 below are used in calculating project revenue requirements billed through PJM Schedule 12, Transmission Enhancement Charges. The total non-incentive revenue requirements for these projects shown on line 4 is included in the total on line 3.

4	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet J)		38,417,015	DA 1.00000	\$ 38,417,015
5	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
6	Annual Rate	((In 1 - In 102 - In 103) / ((In 48 + In 49 + In 50 + In 51 + In 53) x 100))			12.72%
7	Monthly Rate	(In 6 / 12)			1.06%
8	NET PLANT CARRYING CHARGE ON LINE 6 , w/o depreciation or ROE incentives (Note B)				
9	Annual Rate	((In 1 - In 102 - In 103 - In 108 - In 109) / ((In 48 + In 49 + In 50 + In 51 + In 53) x 100))			11.75%
10	NET PLANT CARRYING CHARGE ON LINE 9, w/o Return, income taxes or ROE incentives (Note B)				
11	Annual Rate	((In 1 - In 102 - In 103 - In 108 - In 109 - In 131 - In 132) / ((In 48 + In 49 + In 50 + In 51 + In 53) x 100))			2.31%
12	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J)				-
13	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
14	Total Load Dispatch & Scheduling (Account 561)	Line 85 Below			66,236
15	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				933
16	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				-
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)			<u>65,303</u>

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Line No.	(1) RATE BASE CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total NOTE C	(4) Allocator	(5) Total Transmission
18	GROSS PLANT IN SERVICE				
19	<i>Line Deliberately Left Blank</i>				
20	Transmission	(Worksheet A In 3.C & Ln 140)	1,079,366,250	DA	1,079,366,250
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.C& Ln 141)	-	TP 1.00000	-
22	Plus: Transmission Plant-in-Service Additions (Worksheet I, In 21.D)		459,866,914	DA 1.00000	459,866,914
23	Plus: Additional Trans Plant on Transferred Assets (Worksheet I, In 22.D)		-	DA 1.00000	-
24	<i>Line Deliberately Left Blank</i>				
25	<i>Line Deliberately Left Blank</i>				
26	General Plant	(Worksheet A In 7.C)	162,233	W/S 0.98747	160,201
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	-	W/S 0.98747	-
28	Intangible Plant	(Worksheet A In 9.C)	4,755,225	W/S 0.98747	4,695,665
29	TOTAL GROSS PLANT	(Sum of Lines: 20 to 23 & 26 to 28)	1,544,150,622		1,544,089,030
30	ACCUMULATED DEPRECIATION AND AMORTIZATION				
31	<i>Line Deliberately Left Blank</i>				
32	<i>Line Deliberately Left Blank</i>				
33	Transmission	(Worksheet A In 14.C & 28.C)	22,559,208	TP1= 1.00000	22,559,208
34	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	-	TP1= 1.00000	-
35	Plus: Transmission Plant-in-Service Additions (Worksheet I, In 21.I)		2,487,042	DA 1.00000	2,487,042
36	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I In. 24.D)		-	DA 1.00000	-
37	Plus: Additional Transmission Depreciation for 2015 (In 108)		12,151,265	TP1 1.00000	12,151,265
38	Plus: Additional General & Intangible Depreciation for 2015 (In 111 + In 112)		661,522	W/S 0.98747	653,236
39	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I In 23.D)		-	DA 1.00000	-
40	<i>Line Deliberately Left Blank</i>				
41	<i>Line Deliberately Left Blank</i>				
42	General Plant	(Worksheet A In 18.C)	8,113	W/S 0.98747	8,011
43	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	-	W/S 0.98747	-
44	Intangible Plant	(Worksheet A In 20.C)	1,230,446	W/S 0.98747	1,215,035
45	TOTAL ACCUMULATED DEPRECIATION	(Sum of Lines: 33 to 39 & 42 to 44)	39,097,596		39,073,797
46	NET PLANT IN SERVICE				
47	<i>Line Deliberately Left Blank</i>				
48	Transmission	(In 20 + In 21 - In 33 - In 34)	1,056,807,042		1,056,807,042
49	Plus: Transmission Plant-in-Service Additions (In 22 - In 35)		457,379,872		457,379,872
50	Plus: Additional Trans Plant on Transferred Assets (In 23 - In 36)		-		-
51	Plus: Additional Transmission Depreciation for 2015 (-In 37)		(12,151,265)		(12,151,265)
52	Plus: Additional General & Intangible Depreciation for 2015 (-In 38)		(661,522)		(653,236)
53	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 39)		-		-
54	<i>Line Deliberately Left Blank</i>				
55	General Plant	(In 26 + In 27 - In 42 - In 43)	154,120		152,190
56	Intangible Plant	(In 28 - In 44)	3,524,779		3,480,631
57	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 48 to 53 & 55, 56)	1,505,053,026		1,505,015,233
58	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
59	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	-	NA	-
60	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.C)	(218,289,513)	DA	(218,289,513)
61	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.C)	(2,392,116)	DA	(2,392,116)
62	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	11,552,434	DA	11,552,434
63	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)	-	DA	-
64	TOTAL ADJUSTMENTS	(sum Ins 59 to 63)	(209,129,195)		(209,129,195)
65	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	1,712,863	DA	1,712,863
66	REGULATORY ASSETS	(Worksheet A In 41. (C))	-	DA	-
67	WORKING CAPITAL	(Note E)			
68	Cash Working Capital	(1/8 * In 88)	303,916		303,916
69	Transmission Materials & Supplies	(Worksheet C, In 2.(D))	-	TP 1.00000	-
70	A&G Materials & Supplies	(Worksheet C, In 3.(D))	-	W/S 0.98747	-
71	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h) 0.99994	-
72	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 6.G)	-	W/S 0.98747	-
73	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 6.F)	1,403,074	GP(h) 0.99994	1,402,994
74	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 6.E)	-	DA 1.00000	-
75	Prepayments (Account 165) - Unallocable	(Worksheet C, In 6.D)	-	NA 0.00000	-
76	TOTAL WORKING CAPITAL	(sum Ins 68 to 75)	1,706,990		1,706,911
77	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 7.B)	-	DA 1.00000	-
78	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		1,299,343,684		1,299,305,812

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Formula Rate
Projected TCOS
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Line No.	(1) EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total	(4) Allocator	(5) Total Transmission
	OPERATION & MAINTENANCE EXPENSE				
79	<i>Line Deliberately Left Blank</i>				
80	<i>Line Deliberately Left Blank</i>				
81	Customer Related Expense	322,164,171,178.b	-		
82	Regional Marketing Expenses	322,131.b	-		
83	Transmission	321,112.b	<u>2,497,567</u>		
84	TOTAL O&M EXPENSES	(sum Ins 81 to 83)	<u>2,497,567</u>		
85	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	66,236		
86	Less: Account 565	(Note H) 321.96.b	-		
87	Less: State Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	-		
88	Total O&M Allocable to Transmission	(Ins 83 - 85 - 86 - 87)	<u>2,431,331</u>	TP 1.00000	2,431,331
89	Administrative and General	323,197.b (Note J)	3,950,895		
90	Less: Acct. 924, Property Insurance	323,185.b	152,737		
91	Acct. 928, Reg. Com. Exp.	323,189.b	-		
92	Acct. 930.1, Gen. Advert. Exp.	323,191.b	11,894		
93	Acct. 930.2, Misc. Gen. Exp.	323,192.b	<u>92,550</u>		
94	Balance of A & G	(In 89 - sum In 90 to In 93)	<u>3,693,714</u>	W/S 0.98747	3,647,450
95	Plus: Acct. 924, Property Insurance	(In 90)	152,737	GP(h) 0.99994	152,728
96	Acct. 928 - Transmission Specific	Worksheet F In 20.(E) (Note L)	-	TP 1.00000	-
97	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 37.(E) (Note L)	-	TP 1.00000	-
98	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 42.(E) (Note L)	92,550	DA 1.00000	92,550
99	PBOP Adjustment	Worksheet O Ln 16 (B), (Note K & M)	<u>(22,964)</u>	W/S 0.98747	<u>(22,676)</u>
100	A & G Subtotal	(sum Ins 94 to 99)	<u>3,916,037</u>		<u>3,870,052</u>
101	O & M EXPENSE SUBTOTAL	(In 88 + In 100)	<u>6,347,368</u>		<u>6,301,383</u>
102	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA 1.00000	-
103	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		-	DA 1.00000	-
104	TOTAL O & M EXPENSE	(In 101 + In 102 + In 103)	<u>6,347,368</u>		<u>6,301,383</u>
	DEPRECIATION AND AMORTIZATION EXPENSE				
106	<i>Line Deliberately Left Blank</i>				
107	<i>Line Deliberately Left Blank</i>				
108	Transmission	336.7.f	12,151,265	TP1 1.00000	12,151,265
109	Plus: Transmission Plant-in-Service Additions (Worksheet I In 21.I)		2,487,042	DA 1.00000	2,487,042
110	Plus: Formation Costs Amortization	(Worksheet A In 37.C)	-	TP1 1.00000	-
111	General	336.10.f	3,213	W/S 0.98747	3,173
112	Intangible	336.1.f	<u>658,309</u>	W/S 0.98747	<u>650,064</u>
113	TOTAL DEPRECIATION AND AMORTIZATION	(Lns 108+109+111+112)	<u>15,299,829</u>		<u>15,291,543</u>
	TAXES OTHER THAN INCOME				
114	(Note N)				
115	Labor Related				
116	Payroll	Worksheet H In 23.(D)	-	W/S 0.98747	-
117	Plant Related				
118	Property	Worksheet H In 23.(C) & In 58.(C)	27,683,979	DA	27,683,979
119	Gross Receipts/Sales & Use	Worksheet H In 23.(F)	192	NA 0.00000	-
120	Other	Worksheet H In 23.(E)	<u>63,960</u>	GP(h) 0.99994	<u>63,956</u>
121	TOTAL OTHER TAXES	(sum Ins 116 to 120)	<u>27,748,131</u>		<u>27,747,935</u>
	INCOME TAXES				
122	(Note O)				
123	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		35.00%		
124	$EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =$		39.59%		
125	where WCLTD=(In 159) and WACC = (In 162)				
126	and FIT, SIT & p are as given in Note O.				
127	$GRCF=1 / (1 - T) =$ (from In 123)		1.5385		
128	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-		
129	Income Tax Calculation	(In 124 * In 132)	40,194,697		40,193,526
130	ITC adjustment	(In 127 * In 128)	-	NP(h) 0.99996	-
131	TOTAL INCOME TAXES	(sum Ins 129 to 130)	<u>40,194,697</u>		<u>40,193,526</u>
132	RETURN ON RATE BASE (Rate Base * WACC)	(In 78 * In 162)	101,537,130		101,534,171
133	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		-	DA 1.00000	-
134	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))		-		-
135	Tax Impact on (Gains) / Losses on Sales of Plant Held for Future Use (In 134 * In124)		-		-
136	TOTAL REVENUE REQUIREMENT		<u>191,127,156</u>		<u>191,068,558</u>
	(sum Ins 104, 113, 121, 131, 132, 133, 134, 135)				

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SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF							
137	Total transmission plant	(In 20)						1,079,366,250
138	Less transmission plant excluded from PJM Tariff	(Note P)						-
139	Less transmission plant included in OATT Ancillary Services	(Worksheet A, In 23, Col. (C)) (Note Q)						-
140	Transmission plant included in PJM Tariff	(In 137 - In 138 - In 139)						<u>1,079,366,250</u>
141	Percent of transmission plant in PJM Tariff	(In 140 / In 137)					TP=	1.00000
142	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total			
143	<i>Line Deliberately Left Blank</i>							
144	Transmission	354.21.b	-	345,002	345,002	TP	1.00000	345,002
145	Regional Market Expenses	354.22.b	-	-	-	NA	0.00000	-
146	<i>Line Deliberately Left Blank</i>							
147	Other (Excludes A&G)	354.24,25,26.b	-	4,376	4,376	NA	0.00000	-
148	Total	(sum Ins 144, 145, & 147)	-	<u>349,378</u>	<u>349,378</u>			<u>345,002</u>
149	Transmission related amount						W/S=	0.98747
	Actual Capped Capital Cost Structure (Note S)							
150	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
151	Long Term Interest	(Worksheet L, In. 40, col. (D))				See W/S L		<u>24,010,266</u>
152	Preferred Dividends	(Worksheet L, In. 50, col. (D))						-
153	<u>Development of Common Stock:</u>							
154	Proprietary Capital	(FF1 p 112, Ln 16.c)						610,634,962
155	Less: Preferred Stock	(FF1 p 112, Ln 3.c)						-
156	Less: Account 216.1	(FF1 p 112, Ln 12.c)						-
157	Less: Account 219	(FF1 p 112, Ln 15.c)						-
158	Common Stock	(In 154 - In 155 - In 156 - In 157)						<u>610,634,962</u>
		\$						
159	Long Term Debt	Worksheet L, In 40, col. (B))	<u>580,100,000</u>					
160	Preferred Stock (In 155)		-					
161	Common Stock (In 158)		<u>610,634,962</u>					
162	Total (Sum Ins 159 to 161)		<u>1,190,734,962</u>					
				Capital Structure Percentages			Cost	
				Actual	Cap Limit		(Note S)	Weighted
159	Long Term Debt	Worksheet L, In 40, col. (B))	580,100,000	48.72%	50.00%		4.14%	0.0207
160	Preferred Stock (In 155)		-	0.00%	0.00%		0.00%	0.0000
161	Common Stock (In 158)		610,634,962	51.28%	50.00%		11.49%	0.0575
162	Total (Sum Ins 159 to 161)		<u>1,190,734,962</u>	<u>100.00%</u>	<u>100.00%</u>		WACC=	0.0781
163	Capital Structure Equity Limit (Note T)		50.0%					
	AEP OPERATING COMPANIES' COMPOSITE (Note S)							
164	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
165	Long Term Interest	(Worksheet Q, In. 14)						<u>467,649,989</u>
166	Preferred Dividends	(Worksheet Q, In. 36)						-
167	<u>Development of Common Stock:</u>							
168	Proprietary Capital	(Worksheet Q, In. 37)						8,094,481,064
169	Less: Preferred Stock	(Worksheet Q, In. 38)						-
170	Less: Account 216.1	(Worksheet Q, In. 39)						6,532,329
171	Less: Account 219	(Worksheet Q, In. 40)						<u>(10,289,353)</u>
172	Common Stock	(In 168 - In 169 - In 170 - In 171)						<u>8,098,238,088</u>
173				%	\$		Cost	Weighted
174	Long Term Debt	(Worksheet Q, In 50)		51.25%	8,511,972,247		0.0549	0.0282
175	Preferred Stock (Worksheet Q, In 51)			0.00%	-		0.00%	0.0000
176	Common Stock (Worksheet Q, In 52)			48.75%	8,098,238,088		11.49%	0.0560
177	Total (Worksheet Q, In 45)				<u>16,610,210,335</u>		WACC=	0.0842

AEP OHIO TRANSMISSION COMPANY

Letter

Notes

General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X

- A Revenue credits include:
1) Forfeited Discounts.
2) Miscellaneous Service Revenues.
3) Rental revenues earned on assets included in the rate base.
4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.
5) Other electric revenues.
6) Revenues for grandfathered PTP contracts included in the load divisor.
See Worksheet E for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's.
- C Transmission Plant balances in this study are projected as of December 31, 2015. Other ratebase amounts are as of December 31, 2014.
- D The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B.
The company will not include the ADIT portion of deferred hedge gains and losses in rate base.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 88. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 85.
2) AEP transmission equalization transfers, as shown on line 86
3) The impact of state regulatory deferrals and amortizations, as shown on line 87
4) All A&G Expenses, as shown on line 100.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 77 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 133.
- G Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 15 & 16 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- H Removes cost of transmission service provided by others to determine the basis of cash working capital on line 88. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 102 and 103 to determine the total O&M collected in the formula. The amounts on lines 102 and 103 are also excluded in the calculation of the FCR percentage calculated on lines 5 through 11. The addbacks on lines 102 and 103 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity.
The company records referenced on lines 102 and 103 is the AEP OHIO TRANSMISSION COMPANY general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from O&M expense.
- J General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense
- L Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M See note K above. Per the settlement in Docket ER10-355, recoverable PBOP expense is based on a rate of 9.4 cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing.
- N Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
- O The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT. A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) (In 128) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.
- | | | | |
|------------------|-------|--------|---|
| Inputs Required: | FIT = | 35.00% | |
| | SIT= | 0.00% | (State Income Tax Rate or Composite SIT. Worksheet G)) |
| | p = | 0.00% | (percent of federal income tax deductible for state purposes) |
- P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- S As shown on Worksheet Q, the AEP Ohio Transmission Company capital structure and weighted cost of capital (WACC) shall be based on (1) the weighted composite of AEP East Operating Companies' actual end-of-year capital structure, including year-end outstanding long term debt (LTD) and preferred stock (PS) issuances (Projected) or the beginning and ending average capital structure, including the beginning and ending average outstanding LTD and PS issuances (True-Up) with the common equity portion as capped in Docket No. ER08-1329 where any excess common equity is priced at the cost of LTD and the composite equity ratio is further capped at 50%, and (2) the actual weighted composite LTD and PS cost using actual calendar year LTD expense and PS dividends of the AEP East Operating Companies excluding all interest rate hedging costs and/or gains, until the the Company establishes its own actual capital structure. Upon establishment of actual debt financing for AEP Ohio Transmission Company, the Company shall use its own actual capital structure capped by a 50% Common Equity Cap and its own LTD costs, excluding all interest rate hedging costs and/or gains, as computed on Worksheet L for the Projected TCOS or Worksheet M for the True Up TCOS.
- T AEP OHIO TRANSMISSION COMPANY's Common Stock is limited to 50% of the capital structure. This limit may only be changed through a Section 205 or 206 filing effective after June 30, 2013.
If the percentage of equity exceeds the cap, the excess is included in weighted percentage of long term debt in the capital structure.

AEPTCo subsidiaries in PJM
 Transmission Cost of Service Formula Rate
 Utilizing Historic Cost Data for 2014 with Year-End Rate Base Balances

AEP OHIO TRANSMISSION COMPANY

Line No.			Total	Allocator	Transmission Amount
178	REVENUE REQUIREMENT (w/o incentives)	(ln 313)			\$141,584,484
179	REVENUE CREDITS	(Note A) (Worksheet E)	46,750	DA 1.00000	\$ 46,750
180	REVENUE REQUIREMENT For All Company Facilities	(ln 178 less ln 179)			\$ 141,537,734

MEMO: The Carrying Charge Calculations on lines 183 to 188 below are used in calculating project revenue requirements billed through PJM Schedule 12, Transmission Enhancement Charges. The total non-incentive revenue requirements for these projects shown on line 181 is included in the total on line 180.

181	Not applicable on this template				
182	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
183	Annual Rate	((ln 178 - ln 279 - ln 280) / ln 225 x 100)			13.40%
184	Monthly Rate	(ln 183 / 12)			1.12%
185	NET PLANT CARRYING CHARGE ON LINE 183 , w/o depreciation or ROE incentives (Note B)				
186	Annual Rate	((ln 178 - ln 279 - ln 280 - ln 285) / ln 225 x 100)			12.25%
187	NET PLANT CARRYING CHARGE ON LINE 186, w/o Return, income taxes or ROE incentives (Note B)				
188	Annual Rate	((ln 178 - ln 279 - ln 280 - ln 285 - ln 308 - ln 309) / ln 225 x 100)			3.28%
189	Not applicable on this template				
190	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
191	Total Load Dispatch & Scheduling (Account 561)	Line 262 Below			66,236
192	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				933
193	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				-
194	Total 561 Internally Developed Costs	(Line 191 - Line 192 - Line 193)			65,303

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2014 with Year-End Rate Base Balances

AEP OHIO TRANSMISSION COMPANY

	(1)	(2)	(3)	(4)	(5)
	RATE BASE CALCULATION	Data Sources (See "General Notes")	TO Total NOTE C	Allocator	Total Transmission
Line No.	GROSS PLANT IN SERVICE				
195	<i>Line Deliberately Left Blank</i>				
196	<i>Line Deliberately Left Blank</i>				
197	Transmission	(Worksheet A In 3.C & Ln 317)	1,079,366,250	DA	1,079,366,250
198	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.C& Ln 318)	-	TP	-
199	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	NA	N/A
200	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)		N/A	NA	N/A
201	<i>Line Deliberately Left Blank</i>				
202	<i>Line Deliberately Left Blank</i>				
203	General Plant	(Worksheet A In 7.C)	162,233	W/S	160,201
204	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	-	W/S	-
205	Intangible Plant	(Worksheet A In 9.C)	4,755,225	W/S	4,695,665
206	TOTAL GROSS PLANT	(Sum of Lines: 197 to 200 & 203 to 205)	1,084,283,708	GP(h)=	1,084,222,116
				GTD=	1.00000
207	ACCUMULATED DEPRECIATION AND AMORTIZATION				
208	<i>Line Deliberately Left Blank</i>				
209	<i>Line Deliberately Left Blank</i>				
210	Transmission	(Worksheet A In 14.C & 28.C)	22,559,208	TP1=	22,559,208
211	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	-	TP1=	-
212	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	DA	N/A
213	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I)		N/A	DA	N/A
214	Plus: Additional Transmission Depreciation for 2015 (-In 285)		N/A	TP1	N/A
215	Plus: Additional General & Intangible Depreciation for 2015 (-In 284 + In 285)		N/A	W/S	N/A
216	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I)		N/A	DA	N/A
217	<i>Line Deliberately Left Blank</i>				
218	<i>Line Deliberately Left Blank</i>				
219	General Plant	(Worksheet A In 18.C)	8,113	W/S	8,011
220	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	-	W/S	-
221	Intangible Plant	(Worksheet A In 20.C)	1,230,446	W/S	1,215,035
222	TOTAL ACCUMULATED DEPRECIATION	(Sum of Lines: 210 to 216 & 219 to 221)	23,797,767		23,782,254
223	NET PLANT IN SERVICE				
224	<i>Line Deliberately Left Blank</i>				
225	Transmission	(In 197 + In 198 - In 210 - In 211)	1,056,807,042		1,056,807,042
226	Plus: Transmission Plant-in-Service Additions (In 199 - In 212)		N/A		N/A
227	Plus: Additional Trans Plant on Transferred Assets (In 200 - In 213)		N/A		N/A
228	Plus: Additional Transmission Depreciation for 2015 (-In 214)		N/A		N/A
229	Plus: Additional General & Intangible Depreciation for 2015 (-In 215)		N/A		N/A
230	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 216)		N/A		N/A
231	<i>Line Deliberately Left Blank</i>				
232	General Plant	(In 203 + In 204 - In 219 - In 220)	154,120		152,190
233	Intangible Plant	(In 205 - In 221)	3,524,779		3,480,631
234	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 225 to 230 & 232, 233)	1,060,485,941	NP(h)=	1,060,439,862
235	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
236	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	-	NA	-
237	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.C)	(218,289,513)	DA	(218,289,513)
238	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.C)	(2,392,116)	DA	(2,392,116)
239	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	11,552,434	DA	11,552,434
240	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)	-	DA	-
241	TOTAL ADJUSTMENTS	(sum Ins 236 to 240)	(209,129,195)		(209,129,195)
242	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	1,712,863	DA	1,712,863
243	REGULATORY ASSETS	(Worksheet A In 41. (C))	-	DA	-
244	WORKING CAPITAL	(Note E)			
245	Cash Working Capital	(1/8 * In 265)	303,916		303,916
246	Transmission Materials & Supplies	(Worksheet C, In 2.(D))	-	TP	-
247	A&G Materials & Supplies	(Worksheet C, In 3.(D))	-	W/S	-
248	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	-
249	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 6.G)	-	W/S	-
250	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 6.F)	1,403,074	GP(h)	1,402,994
251	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 6.E)	-	DA	-
252	Prepayments (Account 165) - Unallocable	(Worksheet C, In 6.D)	-	NA	-
253	TOTAL WORKING CAPITAL	(sum Ins 245 to 252)	1,706,990		1,706,911
254	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 7.B)	-	DA	-
255	RATE BASE (sum Ins 234, 241, 242, 243, 253, 254)		854,776,599		854,730,441

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2014 with Year-End Rate Base Balances

AEP OHIO TRANSMISSION COMPANY

	(1)	(2)	(3)	(4)	(5)
	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	TO Total	Allocator	Total Transmission
Line No.	OPERATION & MAINTENANCE EXPENSE				
256	<i>Line Deliberately Left Blank</i>				
257	<i>Line Deliberately Left Blank</i>				
258	Customer Related Expense	322 & 323.164,171,178.b	-		
259	Regional Marketing Expenses	322.131.b	-		
					<i>Per Settlement in FERC Docket No. ER10-355-000 , Attachment A-1 to Appendix B, pg. 26, C, 7a.</i>
260	Transmission	321.112.b	2,497,567		
261	TOTAL O&M EXPENSES	(sum lns 258 to 260)	2,497,567		
262	Less: Total Account 561	(Note G) (Worksheet F, ln 14.C)	66,236		
263	Less: Account 565	(Note H) 321.96.b	-		
264	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, ln 4.C)	-		
265	Total O&M Allocable to Transmission	(lns 260 - 262 - 263 - 264)	2,431,331	TP	1.00000
					<i>Per Settlement in FERC Docket No. ER10-355-000 , Attachment A-1 to Appendix B, pg. 26, C, 7a.</i>
266	Administrative and General	323.197.b (Note J)	3,950,895		
267	Less: Acct. 924, Property Insurance	323.185.b	152,737		
268	Acct. 928, Reg. Com. Exp.	323.189.b	-		
269	Acct. 930.1, Gen. Advert. Exp.	323.191.b	11,894		
270	Acct. 930.2, Misc. Gen. Exp.	323.192.b	92,550		
271	Balance of A & G	(ln 266 - sum ln 267 to ln 270)	3,693,714	W/S	0.98747
272	Plus: Acct. 924, Property Insurance	(ln 267)	152,737	GP(h)	0.99994
273	Acct. 928 - Transmission Specific	Worksheet F ln 20.(E) (Note L)	-	TP	1.00000
274	Acct 930.1 - Only safety related ads -Direct	Worksheet F ln 37.(E) (Note L)	-	TP	1.00000
275	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F ln 42.(E) (Note L)	92,550	DA	1.00000
276	PBOP Adjustment	Worksheet O Ln 16 (B), (Note K & M)	(22,964)	W/S	0.98747
277	A & G Subtotal	(sum lns 271 to 276)	3,916,037		
278	O & M EXPENSE SUBTOTAL	(ln 265 + ln 277)	6,347,368		
279	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA	1.00000
280	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		-	DA	1.00000
281	TOTAL O & M EXPENSE	(ln 278 + ln 279 + ln 280)	6,347,368		
282	DEPRECIATION AND AMORTIZATION EXPENSE				
283	<i>Line Deliberately Left Blank</i>				
284	<i>Line Deliberately Left Blank</i>				
285	Transmission	336.7.f	12,151,265	TP1	1.00000
286	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A		
287	Plus: Formation Costs Amortization	(Worksheet A ln 35.C)	13,392	TP1	1.00000
288	General	336.10.f	3,213	W/S	0.98747
289	Intangible	336.1.f	658,309	W/S	0.98747
290	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 285+286+288+289)	12,826,179		
291	TAXES OTHER THAN INCOME	(Note N)			
292	Labor Related				
293	Payroll	Worksheet H ln 23.(D)	-	W/S	0.98747
294	Plant Related				
295	Property	Worksheet H ln 23.(C) & ln 58.(C)	27,683,979	DA	
296	Gross Receipts/Sales & Use	Worksheet H ln 23.(F)	192	NA	0.00000
297	Other	Worksheet H ln 23.(E)	63,960	GP(h)	0.99994
298	TOTAL OTHER TAXES	(sum lns 293 to 297)	27,748,131		
299	INCOME TAXES	(Note O)			
300	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$		35.00%		
301	$EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =$		40.12%		
302	where WCLTD=(ln 336) and WACC = (ln 339)				
303	and FIT, SIT & p are as given in Note O.				
304	$GRCF=1 / (1 - T) =$ (from ln 300)		1.5385		
305	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	-		
306	Income Tax Calculation	(ln 301 * ln 309)	27,120,263		
307	ITC adjustment	(ln 304 * ln 305)	-	NP(h)	0.99996
308	TOTAL INCOME TAXES	(sum lns 306 to 307)	27,120,263		
309	RETURN ON RATE BASE (Rate Base*WACC)	(ln 255 * ln 339)	67,602,124		
310	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, ln 2.(B))		-	DA	1.00000
311	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, ln 4, Cols. (F) & (H))		-		
312	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (ln 311 * ln 301)		-		
313	TOTAL REVENUE REQUIREMENT	(sum lns 281, 290, 298, 308, 309, 310, 311, 312)	141,644,066		

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
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AEP OHIO TRANSMISSION COMPANY

SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF								
314	Total transmission plant	(In 197)							1,079,366,250
315	Less transmission plant excluded from PJM Tariff (Note P)								-
316	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 23, Col. (C)) (Note Q)								-
317	Transmission plant included in PJM Tariff	(In 314 - In 315 - In 316)							1,079,366,250
318	Percent of transmission plant in PJM Tariff	(In 317 / In 314)					TP=		1.00000
319	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total				
320	<i>Line Deliberately Left Blank</i>								
321	Transmission	354.21.b	-	345,002	345,002	TP	1.00000		345,002
322	Regional Market Expenses	354.22.b	-	-	-	NA	0.00000		-
323	<i>Line Deliberately Left Blank</i>								
324	Other (Excludes A&G)	354.24,25,26.b	-	4,376	4,376	NA	0.00000		-
325	Total	(sum Ins 321, 322, & 324)	-	349,378	349,378				345,002
326	Transmission related amount						W/S=		0.98747
327	Actual (Uncapped) Capital Structure								\$
327	WEIGHTED AVERAGE COST OF CAPITAL (WACC)								24,010,266
328	Long Term Interest	(Worksheet L, In. 40, col. (D))					See W/S L		-
329	Preferred Dividends	(Worksheet L, In. 50, col. (D))							-
330	Development of Common Stock:								610,634,962
331	Proprietary Capital	(FF1 p 112, Ln 16.c)							-
332	Less: Preferred Stock	(FF1 p 112, Ln 3.c)							-
333	Less: Account 216.1	(FF1 p 112, Ln 12.c)							-
334	Less: Account 219	(FF1 p 112, Ln 15.c)							-
335	Common Stock	(In 331 - In 332 - In 333 - In 334)							610,634,962
336	Long Term Debt (Worksheet L, In 40, col. (B))		See W/S L				Cost (Note S)	Weighted	
337	Preferred Stock (In 332)						4.14%	0.0202	
338	Common Stock (In 335)						0.00%	0.0000	
339	Total (Sum Ins 336 to 338)						11.49%	0.0589	
							WACC=		0.0791
340	AEP OPERATING COMPANIES' COMPOSITE (Note S)								\$
340	WEIGHTED AVERAGE COST OF CAPITAL (WACC)								467,649,989
341	Long Term Interest	(Worksheet Q, In. 14)							-
342	Preferred Dividends	(Worksheet Q, In. 36)							-
343	Development of Common Stock:								8,094,481,064
344	Proprietary Capital	(Worksheet Q, In. 37)							-
345	Less: Preferred Stock	(Worksheet Q, In. 38)							6,532,329
346	Less: Account 216.1	(Worksheet Q, In. 39)							(10,289,353)
347	Less: Account 219	(Worksheet Q, In. 40)							8,098,238,088
348	Common Stock	(In 344 - In 345 - In 346 - In 347)							
349			%	\$			Cost	Weighted	
350	Long Term Debt (Worksheet Q, In 50)		51.25%	8,511,972,247			5.49%	0.0282	
351	Preferred Stock (Worksheet Q, In 51)		0.00%	-			0.00%	0.0000	
352	Common Stock (Worksheet Q, In 52)		48.75%	8,098,238,088			11.49%	0.0560	
353	Total (Worksheet Q, In 45)			16,610,210,335			WACC=		0.0842

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
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AEP OHIO TRANSMISSION COMPANY

Letter

Notes

General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X

- A Revenue credits include:
1) Forfeited Discounts.
2) Miscellaneous Service Revenues.
3) Rental revenues earned on assets included in the rate base.
4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.
5) Other electric revenues.
6) Revenues for grandfathered PTP contracts included in the load divisor.
See Worksheet E for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's.
- C Transmission Plant balances in this study are historic as of December 31, 2014.
- D The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B. The company will not include the ADIT portion of deferred hedge gains and losses in rate base.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 265. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 262.
2) AEP transmission equalization transfers, as shown on line 263
3) The impact of state regulatory deferrals and amortizations, as shown on line 264
4) All A&G Expenses, as shown on line 277.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 254 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 310.
- G Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 192 & 193 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- H Removes cost of transmission service provided by others to determine the basis of cash working capital on line 265. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 279 and 280 to determine the total O&M collected in the formula. The amounts on lines 279 and 280 are also excluded in the calculation of the FCR percentage calculated on lines 182 through 188. The addbacks on lines 279 and 280 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity. The company records referenced on lines 279 and 280 is the AEP OHIO TRANSMISSION COMPANY general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from O&M expense.
- J General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense
- L Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M See note K above. Per the settlement in Docket ER10-355, recoverable PBOP expense is based on a rate of 9.4 cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing.
- N Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
- O The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT. A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) (In 305) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.
Inputs Required: FIT = 35.00%
SIT = 0.00% (State Income Tax Rate or Composite SIT. Worksheet G))
p = 0.00% (percent of federal income tax deductible for state purposes)
- P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- S As shown on Worksheet Q, the AEP Ohio Transmission Company capital structure and weighted cost of capital (WACC) shall be based on (1) the weighted composite of AEP East Operating Companies' actual end-of-year capital structure, including year-end outstanding long term debt (LTD) and preferred stock (PS) issuances (Projected) or the beginning and ending average capital structure, including the beginning and ending average outstanding LTD and PS issuances (True-Up) with the common equity portion as capped in Docket No. ER08-1329 where any excess common equity is priced at the cost of LTD and the composite equity ratio is further capped at 50%, and (2) the actual weighted composite LTD and PS cost using actual calendar year LTD expense and PS dividends of the AEP East Operating Companies excluding all interest rate hedging costs and/or gains, until the Company establishes its own actual capital structure. Upon establishment of actual debt financing for AEP Ohio Transmission Company, the Company shall use its own actual capital structure capped by a 50% Common Equity Cap and its own LTD costs, excluding all interest rate hedging costs and/or gains, as computed on Worksheet L for the Projected TCOS or Worksheet M for the True Up TCOS.
- T AEP OHIO TRANSMISSION COMPANY's Common Stock is limited to 50% of the capital structure. This limit may only be changed through a Section 205 or 206 filing effective after June 30, 2013. If the percentage of equity exceeds the cap, the excess is included in weighted percentage of long term debt in the capital structure.

AEPTCo subsidiaries in PJM
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AEP OHIO TRANSMISSION COMPANY

Line No.			Total	Allocator	Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 136)			\$117,393,236
2	REVENUE CREDITS	(Note A) (Worksheet E)	46,750	DA 1.00000	\$ 46,750
3	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2)			\$ 117,346,486

MEMO: The Carrying Charge Calculations on lines 6 to 11 below are used in calculating project revenue requirements billed through PJM Schedule 12, Transmission Enhancement Charges. The total non-incentive revenue requirements for these projects shown on line 4 is included in the total on line 3.

4	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet K)		12,138,897	DA 1.00000	\$ 12,138,897
5	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
6	Annual Rate	((In 1 - In 102 - In 103) / In 48 x 100)			14.72%
7	Monthly Rate	(In 6 / 12)			1.23%
8	NET PLANT CARRYING CHARGE ON LINE 6 , w/o depreciation or ROE incentives (Note B)				
9	Annual Rate	((In 1 - In 102 - In 103 - In 108) / In 48 x 100)			13.19%
10	NET PLANT CARRYING CHARGE ON LINE 9, w/o Return, income taxes or ROE incentives (Note B)				
11	Annual Rate	((In 1 - In 102 - In 103 - In 108 - In 131 - In 132) / In 48 x 100)			4.35%
12	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet K)				-
13	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
14	Total Load Dispatch & Scheduling (Account 561)	Line 85 Below			66,236
15	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				933
16	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				-
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)			65,303

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
Utilizing Actual Cost Data for 2014 with Average Ratebase Balances

AEP OHIO TRANSMISSION COMPANY

Line No.	(1) RATE BASE CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total NOTE C	(4) Allocator	(5) Total Transmission
18	GROSS PLANT IN SERVICE				
19	<i>Line Deliberately Left Blank</i>				
20	Transmission	(Worksheet A In 3.E & Ln 140)	813,052,349	DA	813,052,349
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E & Ln 141)	-	TP	-
22	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	NA	N/A
23	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)		N/A	NA	N/A
24	<i>Line Deliberately Left Blank</i>				
25	<i>Line Deliberately Left Blank</i>				
26	General Plant	(Worksheet A In 7.E)	162,233	W/S	160,201
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.E)	-	W/S	-
28	Intangible Plant	(Worksheet A In 9.E)	3,602,489	W/S	3,557,367
29	TOTAL GROSS PLANT	(Sum of Lines: 20 to 23 & 26 to 28)	816,817,071	GP(h)= GTD=	816,769,917 0.0000
30	ACCUMULATED DEPRECIATION AND AMORTIZATION				
31	<i>Line Deliberately Left Blank</i>				
32	<i>Line Deliberately Left Blank</i>				
33	Transmission	(Worksheet A In 14.E & 28.E)	15,287,139	TP1=	15,287,139
34	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.E)	-	TP1=	-
35	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	DA	N/A
36	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I)		N/A	DA	N/A
37	Plus: Additional Transmission Depreciation for 2015 (In 108)		N/A	TP1	N/A
38	Plus: Additional General & Intangible Depreciation for 2015 (In 107 + In 108)		N/A	W/S	N/A
39	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I)		N/A	DA	N/A
40	<i>Line Deliberately Left Blank</i>				
41	<i>Line Deliberately Left Blank</i>				
42	General Plant	(Worksheet A In 18.E)	6,507	W/S	6,425
43	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.E)	-	W/S	-
44	Intangible Plant	(Worksheet A In 20.E)	901,292	W/S	890,003
45	TOTAL ACCUMULATED DEPRECIATION	(Sum of Lines: 33 to 39 & 42 to 44)	16,194,938		16,183,567
46	NET PLANT IN SERVICE				
47	<i>Line Deliberately Left Blank</i>				
48	Transmission	(In 20 + In 21 - In 33 - In 34)	797,765,210		797,765,210
49	Plus: Transmission Plant-in-Service Additions (In 22 - In 35)		N/A		N/A
50	Plus: Additional Trans Plant on Transferred Assets (In 23 - In 36)		N/A		N/A
51	Plus: Additional Transmission Depreciation for 2015 (-In 37)		N/A		N/A
52	Plus: Additional General & Intangible Depreciation for 2015 (-In 38)		N/A		N/A
53	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 39)		N/A		N/A
54	<i>Line Deliberately Left Blank</i>				
55	General Plant	(In 26 + In 27 - In 42 - In 43)	155,726		153,776
56	Intangible Plant	(In 28 - In 44)	2,701,198		2,667,365
57	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 48 to 53 & 55, 56)	800,622,133	NP(h)=	800,586,350 0.99996
58	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
59	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	-	NA	-
60	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(159,317,411)	DA	(159,317,411)
61	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(1,668,198)	DA	(1,668,198)
62	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	18,980,727	DA	18,980,727
63	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	-	DA	-
64	TOTAL ADJUSTMENTS	(sum Ins 59 to 63)	(142,004,883)		(142,004,883)
65	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.E & In 30.E)	1,248,095	DA	1,248,095
66	REGULATORY ASSETS	(Worksheet A In 41. (E))	-	DA	-
67	WORKING CAPITAL	(Note E)			
68	Cash Working Capital	(1/8 * In 88)	303,916		303,916
69	Transmission Materials & Supplies	(Worksheet C, In 2.F)	-	TP	-
70	A&G Materials & Supplies	(Worksheet C, In 3.F)	-	W/S	-
71	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	-
72	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 8.G)	-	W/S	-
73	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 8.F)	1,142,860	GP(h)	1,142,794
74	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 8.E)	-	DA	-
75	Prepayments (Account 165) - Unallocable	(Worksheet C, In 8.D)	-	NA	-
76	TOTAL WORKING CAPITAL	(sum Ins 68 to 75)	1,446,776		1,446,710
77	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8 (B))	-	DA	-
78	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		661,312,121		661,276,272

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AEP OHIO TRANSMISSION COMPANY

Line No.	(1) EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total	(4) Allocator	(5) Total Transmission
	OPERATION & MAINTENANCE EXPENSE				
79	<i>Line Deliberately Left Blank</i>				
80	<i>Line Deliberately Left Blank</i>				
81	Customer Related Expense	322.164,171,178.b	-		
82	Regional Marketing Expenses	322.131.b	-		
83	Transmission	321.112.b	<u>2,497,567</u>		
84	TOTAL O&M EXPENSES	(sum Ins 81 to 83)	2,497,567		
85	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	66,236		
86	Less: Account 565	(Note H) 321.96.b	-		
87	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	-		
88	Total O&M Allocable to Transmission	(Ins 83 - 85 - 86 - 87)	<u>2,431,331</u>	TP	1.00000 2,431,331
89	Administrative and General	323.197.b (Note J)	3,950,895		
90	Less: Acct. 924, Property Insurance	323.185.b	152,737		
91	Acct. 928, Reg. Com. Exp.	323.189.b	-		
92	Acct. 930.1, Gen. Advert. Exp.	323.191.b	11,894		
93	Acct. 930.2, Misc. Gen. Exp.	323.192.b	<u>92,550</u>		
94	Balance of A & G	(In 89 - sum In 90 to In 93)	3,693,714	W/S	0.98747 3,647,450
95	Plus: Acct. 924, Property Insurance	(In 90)	152,737	GP(h)	0.99994 152,728
96	Acct. 928 - Transmission Specific	Worksheet F In 20.(E) (Note L)	-	TP	1.00000 -
97	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 37.(E) (Note L)	-	TP	1.00000 -
98	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 42.(E) (Note L)	92,550	DA	1.00000 92,550
99	PBOP Adjustment	Worksheet O Ln 16 (B), (Note K & M)	<u>(22,964)</u>	W/S	0.98747 <u>(22,676)</u>
100	A & G Subtotal	(sum Ins 94 to 99)	<u>3,916,037</u>		<u>3,870,052</u>
101	O & M EXPENSE SUBTOTAL	(In 88 + In 100)	<u>6,347,368</u>		<u>6,301,383</u>
102	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA	1.00000 -
103	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		-	DA	1.00000 -
104	TOTAL O & M EXPENSE	(In 101 + In 102 + In 103)	<u>6,347,368</u>		<u>6,301,383</u>
105	DEPRECIATION AND AMORTIZATION EXPENSE				
106	<i>Line Deliberately Left Blank</i>				
107	<i>Line Deliberately Left Blank</i>				
108	Transmission	336.7.f	12,151,265	TP1	1.00000 12,151,265
109	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A		N/A
110	Plus: Formation Costs Amortization	(Worksheet A In 35.E)	20,088	TP1	1.00000 20,088
111	General	336.10.f	3,213	W/S	0.98747 3,173
112	Intangible	336.1.f	<u>658,309</u>	W/S	0.98747 <u>650,064</u>
113	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 108+109+111+112)	<u>12,832,875</u>		<u>12,824,589</u>
114	TAXES OTHER THAN INCOME				
115	Labor Related				
116	Payroll	Worksheet H In 23.(D)	-	W/S	0.98747 -
117	Plant Related				
118	Property	Worksheet H In 23.(C) & In 58.(C)	27,683,979	DA	27,683,979
119	Gross Receipts/Sales & Use	Worksheet H In 23.(F)	192	NA	0.00000 -
120	Other	Worksheet H In 23.(E)	<u>63,960</u>	GP(h)	0.99994 <u>63,956</u>
121	TOTAL OTHER TAXES	(sum Ins 116 to 120)	<u>27,748,131</u>		<u>27,747,935</u>
122	INCOME TAXES				
123	T=1 - {(1 - SIT) * (1 - FIT)} / (1 - SIT * FIT * p) =		35.00%		
124	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		40.86%		
125	where WCLTD=(In 159) and WACC = (In 162)				
126	and FIT, SIT & p are as given in Note O.				
127	GRCF=1 / (1 - T) = (from In 123)		1.5385		
128	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-		
129	Income Tax Calculation	(In 124 * In 132)	20,457,436		20,456,327
130	ITC adjustment	(In 127 * In 128)	-	NP(h)	0.99996 -
131	TOTAL INCOME TAXES	(sum Ins 129 to 130)	<u>20,457,436</u>		<u>20,456,327</u>
132	RETURN ON RATE BASE (Rate Base*WACC)	(In 78 * In 162)	50,065,715		50,063,001
133	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		-	DA	1.00000 -
134	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. (F) & (H))		-		-
135	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 134 * In124)		-		-
136	TOTAL REVENUE REQUIREMENT	(sum Ins 104, 113, 121, 131, 132, 133)	<u>117,451,526</u>		<u>117,393,236</u>

AEP OHIO TRANSMISSION COMPANY

SUPPORTING CALCULATIONS

In										
No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF									
137	Total transmission plant	(In 20)						813,052,349		
138	Less transmission plant excluded from PJM Tariff (Note P)							-		
139	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 23, Col. (C)) (Note Q)							-		
140	Transmission plant included in PJM Tariff	(In 137 - In 138 - In 139)						813,052,349		
141	Percent of transmission plant in PJM Tariff	(In 140 / In 137)					TP=	1.00000		
142	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total					
143	<i>Line Deliberately Left Blank</i>									
144	Transmission	354.21.b	-	345,002	345,002	TP	1.00000	345,002		
145	Regional Market Expenses	354.22.b	-	-	-	NA	0.00000	-		
146	<i>Line Deliberately Left Blank</i>									
147	Other (Excludes A&G)	354.24,25,26.b	-	4,376	4,376	NA	0.00000	-		
148	Total	(sum Ins 144, 145, & 147)	-	349,378	349,378			345,002		
149	Transmission related amount						W/S=	0.98747		
	ACTUAL CAPPED CAPITAL COST STRUCTURE (Note S)									
150	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$		
151	Long Term Interest	(Worksheet M, In. 20, col. (E))						17,530,021		
152	Preferred Dividends	(Worksheet M, In. 49, col. (E))						-		
153	<u>Development of Average Common Stock Balance:</u>									
154	Proprietary Capital	(Worksheet M, In. 1, col. (E))						499,528,516		
155	Less: Preferred Stock	(Worksheet M, In. 2, col. (E))						-		
156	Less: Account 216.1	(Worksheet M, In. 3, col. (E))						-		
157	Less: Account 219	(Worksheet M, In. 4, col. (E))						-		
158	Average Common Stock	(In 154 - In 155 - In 156 - In 157)						499,528,516		
	Capped Actual Average Capital Structure	<u>Average \$</u>	<u>Capital Structure Percentages</u>				Cost (Note S)	<u>Weighted</u>		
159	Long Term Debt W/S M, In 11, In 21, col. (E))	480,100,000	Actual	Cap Limit			3.65%	0.0183		
160	Preferred Stock (In 155)	-	49.01%	50.00%			0.00%	0.0000		
161	Common Stock (In 158)	499,528,516	50.99%	50.00%			11.49%	0.0575		
162	Total (Sum Ins 159 to 161)	979,628,516	100.00%	100.00%			WACC=	0.0757		
163	Capital Structure Equity Limit (Note T)	50.0%								
	AEP OPERATING COMPANIES' COMPOSITE (Note S)									
164	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$		
165	Long Term Interest	(Worksheet Q, In. 132)						467,649,989		
166	Preferred Dividends	(Worksheet Q, In. 134)						-		
167	<u>Development of Actual Average Common Stock:</u>							Average		
168	Proprietary Capital	(Worksheet Q, In. 135)						7,931,955,417		
169	Less: Preferred Stock	(Worksheet Q, In. 136)						-		
170	Less: Account 216.1	(Worksheet Q, In. 137)						6,495,866		
171	Less: Account 219	(Worksheet Q, In. 138)						(10,105,810)		
172	Common Stock	(In 168 - In 169 - In 170 - In 171)						7,935,565,361		
173	True Up Capitalization with Equity Caps		%	\$			Cost	<u>Weighted</u>		
174	Long Term Debt (Worksheet Q, In 148)		52.56%	8,790,846,586			5.32%	0.0280		
175	Preferred Stock (Worksheet Q, In 149)		0.00%	-			0.00%	0.0000		
176	Common Stock (Worksheet Q, In 150)		47.44%	7,935,565,361			11.49%	0.0545		
177	Total (Worksheet Q, In 143)		100%	16,726,411,947			WACC=	0.0825		

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
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AEP OHIO TRANSMISSION COMPANY

Letter

Notes

General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X

- A Revenue credits include:
1) Forfeited Discounts.
2) Miscellaneous Service Revenues.
3) Rental revenues earned on assets included in the rate base.
4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.
5) Other electric revenues.
6) Revenues for grandfathered PTP contracts included in the load divisor.
See Worksheet E for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's.
- C Transmission Plant balances in this study reflect the average of the balances at December 31, 2013 and December 31, 2014.
- D The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B.
The company will not include the ADIT portion of deferred hedge gains and losses in rate base.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 88. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 85.
2) AEP transmission equalization transfers, as shown on line 86
3) The impact of state regulatory deferrals and amortizations, as shown on line 87
4) All A&G Expenses, as shown on line 100.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 77 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 133.
- G Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 15 & 16 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- H Removes cost of transmission service provided by others to determine the basis of cash working capital on line 88. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 102 and 103 to determine the total O&M collected in the formula. The amounts on lines 102 and 103 are also excluded in the calculation of the FCR percentage calculated on lines 5 through 11.
The addbacks on lines 102 and 103 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity.
The company records referenced on lines 102 and 103 is the AEP OHIO TRANSMISSION COMPANY general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from O&M expense.
- J General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense
- L Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M See note K above. Per the settlement in Docket ER10-355, recoverable PBOP expense is based on a rate of 9.4 cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing.
- N Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
- O The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT.
A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)
(In 128) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.
Inputs Required:
- | | |
|-------|---|
| FIT = | 35.00% |
| SIT = | 0.00% (State Income Tax Rate or Composite SIT. Worksheet G)) |
| p = | 0.00% (percent of federal income tax deductible for state purposes) |
- P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- S As shown on Worksheet Q, the AEP Ohio Transmission Company capital structure and weighted cost of capital (WACC) shall be based on (1) the weighted composite of AEP East Operating Companies' actual end-of-year capital structure, including year-end outstanding long term debt (LTD) and preferred stock (PS) issuances (Projected) or the beginning and ending average capital structure, including the beginning and ending average outstanding LTD and PS issuances (True-Up) with the common equity portion as capped in Docket No. ER08-1329 where any excess common equity is priced at the cost of LTD and the composite equity ratio is further capped at 50%, and (2) the actual weighted composite LTD and PS cost using actual calendar year LTD expense and PS dividends of the AEP East Operating Companies excluding all interest rate hedging costs and/or gains, until the the Company establishes its own actual capital structure.
Upon establishment of actual debt financing for AEP Ohio Transmission Company, the Company shall use its own actual capital structure capped by a 50% Common Equity Cap and its own LTD costs, excluding all interest rate hedging costs and/or gains, as computed on Worksheet L for the Projected TCOS or Worksheet M for the True Up TCOS.
- T AEP OHIO TRANSMISSION COMPANY's Common Stock is limited to 50% of the capital structure. This limit may only be changed through a Section 205 or 206 filing effective after June 30, 2013. If the percentage of equity exceeds the cap, the excess is included in weighted percentage of long term debt in the capital structure.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet A Supporting Plant Balances
AEP OHIO TRANSMISSION COMPANY

Line Number	(A) Rate Base Item & Supporting Balance	(B) Source of Data	(C) Balance @ December 31, 2014	(D) Balance @ December 31, 2013	(E) Average Balance for 2014
Plant Investment Balances					
1	Line Deliberately Left Blank				
2	Line Deliberately Left Blank				
3	Transmission Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 58	1,079,366,250	546,738,447	813,052,349
4	Transmission Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 57	-	-	-
5	Line Deliberately Left Blank				
6	Line Deliberately Left Blank				
7	General Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 99	162,233	162,233	162,233
8	General Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 98	-	-	-
9	Intangible Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 5	4,755,225	2,449,753	3,602,489
10	Total Property Investment Balance	(Sum of Lines: 3, 7, 9)	1,084,283,708	549,350,433	816,817,071
11	Total ARO Balance (included in total on line 10)	(Sum of Lines: 4, 8)	-	-	-
Accumulated Depreciation & Amortization Balances					
12	Line Deliberately Left Blank				
13	Line Deliberately Left Blank				
14	Transmission Accumulated Depreciation	FF1, page 219, In 25, Col. (b)	22,559,208	8,015,070	15,287,139
15	Transmission ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
16	Line Deliberately Left Blank				
17	Line Deliberately Left Blank				
18	General Accumulated Depreciation	FF1, page 219, In 28, Col. (b)	8,113	4,901	6,507
19	General ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
20	Intangible Accumulated Amortization	FF1, page 200, In 21, Col. (b)	1,230,446	572,137	901,292
21	Total Accumulated Depreciation or Amortization	(Sum of Lines: 14, 18, 20)	23,797,767	8,592,108	16,194,938
22	Total ARO Balance (included in total on line 21)	(Sum of Lines: 15, 19)	-	-	-
Generation Step-Up Units					
23	GSU Investment Amount	Company Records - Note 1	-	-	-
24	GSU Accumulated Depreciation	Company Records - Note 1	-	-	-
25	GSU Net Balance	(Line 23 - Line 24)	-	-	-
Transmission Accumulated Depreciation Net of GSU Accumulated Depreciation					
26	Transmission Accumulated Depreciation	(Line 14 Above)	22,559,208	8,015,070	15,287,139
27	Less: GSU Accumulated Depreciation	(Line 24 Above)	-	-	-
28	Subtotal of Transmission Net of GSU	(Line 26 - Line 27)	22,559,208	8,015,070	15,287,139
Plant Held For Future Use					
29	Plant Held For Future Use	FF1, page 214, In 47, Col. (d)	1,712,863	783,326	1,248,095
30	Transmission Plant Held For Future	Company Records - Note 1	1,712,863	783,326	1,248,095
Regulatory Assets and Liabilities Approved for Recovery in Ratebase					
31	Note: Regulatory Assets & Liabilities can only be included in ratebase pursuant to a 205 filing with the FERC. Beginning Balance of Regulatory Asset (Note 2)		13,392	40,175	26,784
32	Amortization in Months		6	18	12
33	Monthly Amortization		2,232	2,232	2,232
34	Months in 2014 to be amortized		6	12	9
35	Amortization Expense in 2014		13,392	26,783	20,088
36	Months in 2015 to be amortized		-	6	3
37	Amortization Expense in 2015		-	13,392	6,696
38	Ending Balance of Regulatory Asset		-	13,392	6,696
39	Average Balance of Regulatory Asset		6,696	26,783	16,740
40	Unamortized Balance of Regulatory Asset at YE 2014		-	13,392	6,696
41	Total Regulatory Deferrals Included in Ratebase (Note 2)		-	-	-

NOTE 1 On this worksheet, "Company Records" refers to AEP's property accounting ledger.

NOTE 2 Formation costs through 6/30/2010 are includable at 50% with 48 month amortization and no return on the unamortized balance. The balance on line 41 may not include unamortized formation costs.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet B Supporting ADIT and ITC Balances
AEP OHIO TRANSMISSION COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) Source</u>	<u>(C) Balance @ December 31, 2014</u>	<u>(D) Balance @ December 31, 2013</u>	<u>(E) Average Balance for 2014</u>
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, In 8, Col. (k)	-	-	-
3	Less: ARO Related Deferrals	Company Records - Note 1	-	-	-
4	Less: Other Excluded Deferrals	Company Records - Note 1	-	-	-
5	Transmission Related Deferrals	Ln 2 - In 3 - In 4	-	-	-
6	<u>Account 282</u>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, In 5, Col. (k)	218,289,513	100,345,309	159,317,411
8	Less: ARO Related Deferrals	Company Records - Note 1	-	-	-
9	Less: Other Excluded Deferrals	Company Records - Note 1	-	-	-
10	Transmission Related Deferrals	Ln 7 - In 8 - In 9	218,289,513	100,345,309	159,317,411
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, In 9, Col. (k)	2,392,116	944,280	1,668,198
13	Less: ARO Related Deferrals	Company Records - Note 1	-	-	-
14	Less: Other Excluded Deferrals	Company Records - Note 1	-	-	-
15	Transmission Related Deferrals	Ln 12 - In 13 - In 14	2,392,116	944,280	1,668,198
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, In 8, Col. (c)	11,552,434	26,409,019	18,980,727
18	Less: ARO Related Deferrals	Company Records - Note 1	-	-	-
19	Less: Other Excluded Deferrals	Company Records - Note 1	-	-	-
20	Transmission Related Deferrals	Ln 17 - In 18 - In 19	11,552,434	26,409,019	18,980,727
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, In 8, Col. (h)	-	-	-
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	-	-	-
24	ITC Balances Includeable in Ratebase	Ln 22 - In 23	-	-	-
25	Transmission Related Deferrals	Company Records - Note 1	-	-	-

NOTE 1 On this worksheet, "Company Records" refers to AEP's tax accounting ledger.

NOTE 2 ADIT balances should exclude balances related to hedging activity.

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet C Supporting Working Capital Rate Base Adjustments
 AEP OHIO TRANSMISSION COMPANY

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Materials & Supplies								
Line Number	Source	Balance @ December 31, 2014	Balance @ December 31, 2013	Average Balance for 2014				
1								
2	Transmission Materials & Supplies	0	0	-				
3	General Materials & Supplies	0	0	-				
4	Stores Expense (Undistributed)	0	0	-				

Prepayment Balance Summary

Average of YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	
Totals as of December 31, 2014	1,403,074	0	0	1,403,074	0	1,403,074
Totals as of December 31, 2013	882,645	0	0	882,645	0	882,645
Average Balance	1,142,860	-	-	1,142,860	-	1,142,860

Prepayments Account 165 - Balance @ 12/31/2014

2014 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
1650001 Prepaid Insurance	83,592	-	83,592		83,592	Plant Related Insurance Policies
165000214 Prepaid Taxes	1,633	-	1,633		1,633	Prepaid Taxes
1650006 Other Prepayments	1,250,000	-	1,250,000		1,250,000	Prepaid Transmission Projects
165001213 Prepaid Use Taxes	0	-	-		-	Prepaid Use Taxes
1650021 Prepaid Insurance EIS	37,349	-	37,349		37,349	Plant Related Insurance Policies
1650023 Prepaid Lease	30,500	-	30,500		30,500	Prepaid Lease
1650003 Prepaid Rents	0	-	-		-	
1650004 Prepaid Interest	0	-	-		-	
1650010 Prepaid Pension Benefits	0	-	-		-	
1650014 FAS 158 Qual Contra Asset	0	-	-		-	
1650016 FAS 112 ASSETS	0	-	-		-	
Subtotal - Form 1, p 111.57.b	1,403,074	0	1,403,074	0	1,403,074	

Prepayments Account 165 - Balance @ 12/31/ 2013

2013 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
1650021 Prepaid Insurance EIS	27,569	-	27,569		27,569	Plant Related Insurance Policies
1650001 Prepaid Insurance	9	-	9		9	Plant Related Insurance Policies
165000212 Prepaid Taxes	802,500	-	802,500		802,500	
1650003 Prepaid Rents	10,100	-	10,100		10,100	
1650004 Prepaid Interest	39,467	-	39,467		39,467	
1650005 Prepaid Employee Benefits	3,000	-	3,000		3,000	
1650006 Other Prepayments	0	-	-		-	
1650009 Prepaid Carry Cost-Factored AR	0	-	-		-	
1650010 Prepaid Pension Benefits	0	-	-		-	
1650014 FAS 158 Qual Contra Asset	0	-	-		-	
1650016 FAS 112 ASSETS	0	-	-		-	
Subtotal - Form 1, p 111.57.c	882,645	0	882,645	0	882,645	

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet D Supporting IPP Credits
 AEP OHIO TRANSMISSION COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 2014</u>
1	Net Funds from IPP Customers 12/31/2013 (2014 FORM 1, P269, line 24.b)	-
2	Interest Expense (Company Records - Note 1)	-
3	Revenue Credits to Generators (Company Records - Note 1)	-
4	<u>Other Adjustments</u>	
5	Accounting Adjustment (Company Records - Note 1)	-
6		-
7	Net Funds from IPP Customers 12/31/2014 (2014 FORM 1, P269, line 24.f)	-
8	Average Balance for Year as Indicated in Column $((\text{In } 1 + \text{In } 7)/2)$	-

Note 1 On this worksheet Company Records refers to AEP OHIO TRANSMISSION COMPANY's general ledger.

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet E Supporting Revenue Credits
 AEP OHIO TRANSMISSION COMPANY

<u>Line Number</u>	<u>Description</u>	<u>Total Company</u>	<u>Non-Transmission</u>	<u>Transmission</u>
1	Account 450, Forfeited Discounts (FF1 p.300.16.(b); Company Records - Note 1)	-	-	-
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)	-	-	-
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1) 4540002	46,750	-	46,750
4	Account 4560015, Associated Business Development - (Company Records - Note 1)	-	-	-
5	Account 456 - Other Electric Revenues - (Company Records - Note 1)	111,868,036	111,868,036	-
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	111,914,786	111,868,036	46,750
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)	-	-	-
8	Total Other Operating Revenues To Reduce Revenue Requirement	111,914,786	111,868,036	46,750

Note 1 The total company data on this worksheet comes from the indicated FF1 source, or AEP OHIO TRANSMISSION COMPANY's general ledger. The functional amounts identified as transmission revenue also come from the general ledger.

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
 AEP OHIO TRANSMISSION COMPANY

(A)	(B)	(C)	(D)	(E)	(F)	
<u>Line Number</u>	<u>Item No.</u>	<u>Description</u>	<u>2014 Expense</u>	<u>100% Non-Transmission</u>	<u>100% Transmission Specific</u>	<u>Explanation</u>
Regulatory O&M Deferrals & Amortizations						
1	5700005	Maint Station-Reliability-Df	-			
2						
3						
4		Total	0			
Detail of Account 561 Per FERC Form 1						
5	FF1 p 321.84.b	561 - Load Dispatching	-			
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability	1,206			
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System	38,011			
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling	-			
9	FF1 p 321.88.b	561.4 - Scheduling, System Control & Dispatch	933			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	26,086			
11	FF1 p 321.90.b	561.6 - Transmission Service Studies	-			
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies	-			
13	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Services	-			
14		Total of Account 561	66,236			
Account 928						
15	9280000	Regulatory Commission Exp	-	-	-	
16	9280001	Regulatory Commission Exp-Adm	-	-	-	
17	9280002	Regulatory Commission Exp-Case	-	-	-	
18	9280002	Regulatory Commission Exp-Case	-	-	-	
19	9280002	Regulatory Commission Exp-Case	-	-	-	
20		Total	-	-	-	
Account 930.1						
21	9301000	General Advertising Expenses	11,894	11,894	-	
22	9301001	Newspaper Advertising Space	-	-	-	
23	9301002	Radio Station Advertising Time	-	-	-	
24	9301003	TV Station Advertising Time	-	-	-	
25	9301004	Newspaper Advertising Prod Exp	-	-	-	
26	9301005	Radio &TV Advertising Prod Exp	-	-	-	
27	9301006	Spec Corporate Comm Info Proj	-	-	-	
28	9301007	Special Adv Space & Prod Exp	-	-	-	
29	9301008	Direct Mail and Handouts	-	-	-	
30	9301009	Fairs, Shows, and Exhibits	-	-	-	
31	9301010	Publicity	-	-	-	
32	9301011	Dedications, Tours, & Openings	-	-	-	
33	9301012	Public Opinion Surveys	-	-	-	
34	9301013	Movies Slide Films & Speeches	-	-	-	
35	9301014	Video Communications	-	-	-	
36	9301015	Other Corporate Comm Exp	-	-	-	
37		Total	11,894	11,894	-	
Account 930.2						
38	9302000	Misc General Expenses	69,914	-	69,914	
39	9302003	Corporate & Fiscal Expenses	13,683	-	13,683	
40	9302004	Research, Develop&Demonstr Exp	-	-	0	
41	9302007	Assoc Business Development Exp	8,953	-	8,953	
42		Total	92,550	-	92,550	

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet G Supporting - Development of Composite State Income Tax Rate
 AEP OHIO TRANSMISSION COMPANY

1	Ohio State Tax Rate	2.63%	
	Apportionment Factor - Note 2	0.00%	
	Effective State Tax Rate		0.00%
2	_____ Tax Rate	0.00%	
	Apportionment Factor - Note 2	0.00%	
	Effective State Tax Rate		0.00%
3	_____ Tax Rate	0.00%	
	Apportionment Factor - Note 2	0.00%	
	Effective State Tax Rate		0.00%
4	_____ Tax Rate	0.00%	
	Apportionment Factor - Note 2	0.00%	
	Effective State Tax Rate		0.00%
5	_____ Tax Rate	0.00%	
	Apportionment Factor - Note 2	0.00%	
	Effective State Tax Rate		0.00%
Total Effective State Income Tax Rate			<u>0.00%</u>

Note 1 The Ohio State Income Tax is being phased-out prorata over a 5 year period from 2005 through 2009. The taxable portion of income is 20% in 2009. The phase-out factors can be found in the Ohio Revised Code at 5733.01(G)2(a)(v). This tax has been replaced with a Commercial Activities Tax that is included in Schedule H.

Note 2 Apportionment Factors are determined as part of the Company's annual tax return for that jurisdiction.

Line No.	(A) Account	(B) Total Company NOTE 1	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
1	Revenue Taxes					
2	Gross Receipts Tax	186				186
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - Ohio	27,683,979	27,683,979			
5	Real and Personal Property	-	-			
6	Real and Personal Property	-	-			
7	Real and Personal Property - Other Jurisdictions	-	-			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)	-		-		
10	Federal Unemployment Tax	-		-		
11	State Unemployment Insurance	-		-		
12	<i>Line Deliberately Left Blank</i>					
13	State Severance Taxes	-				-
14	Miscellaneous Taxes					
15	State Business & Occupation Tax	-				-
16	State Public Service Commission Fees	63,960			63,960	
17	State Franchise Taxes	-			-	
18	State Lic/Registration Fee	-			-	
19	Misc. State and Local Tax	-			-	
20	Sales & Use	6				6
21	Federal Excise Tax	-				-
22	Michigan Single Business Tax	-				-
23	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14.(c))	<u>27,748,131</u>	<u>27,683,979</u>	<u>-</u>	<u>63,960</u>	<u>192</u>

NOTE 1: The detail of each total company number and its source in the FERC Form 1 is shown on WS H-1.

Functional Property Tax Allocation

	Column (B) Deliberately Left Blank		Column (D) Deliberately Left		Total
	Blank	Transmission	Blank	General	
24 Functionalized Net Plant (Hist. TCOS, Lns 224 thru 234)	-	1,056,807,042	-	154,120	1,056,961,162
OHIO JURISDICTION					
25 Percentage of Plant in OHIO JURISDICTION					
26 Net Plant in OHIO JURISDICTION (Ln 24 * Ln 25)	-	-	-	-	-
27 Less: Net Value of Exempted Generation Plant	-	-	-	-	-
28 Taxable Property Basis (Ln 26 - Ln 27)	-	-	-	-	-
29 Relative Valuation Factor					0
30 Weighted Net Plant (Ln 28 * Ln 29)	-	-	-	-	-
31 General Plant Allocator (Ln 30 / (Total - General Plant))	0.00%	100.00%	0.00%	-100.00%	
32 Functionalized General Plant (Ln 31 * General Plant)	-	-	-	-	-
33 Weighted OHIO JURISDICTION Plant (Ln 30 + 32)	-	-	-	-	-
34 Functional Percentage (Ln 33/Total Ln 33)	0.00%	100.00%	0.00%		
35 Functionalized Expense in OHIO JURISDICTION	-	27,683,979	-		<u>27,683,979</u>
JURISDICTION					
36 Percentage of Plant in _____ JURISDICTION					
37 Net Plant in _____ JURISDICTION (Ln 24 * Ln 36)	-	-	-	-	-
38 Less: Net Value of Exempted Generation Plant	-	-	-	-	-
39 Taxable Property Basis (Ln 37 - Ln 38)	-	-	-	-	-
40 Relative Valuation Factor					0
41 Weighted Net Plant (Ln 39 * Ln 40)	-	-	-	-	-
42 General Plant Allocator (Ln 41 / (Total - General Plant))	0.00%	100.00%	0.00%	-100.00%	
43 Functionalized General Plant (Ln 42 * General Plant)	-	-	-	-	-
44 Weighted _____ JURISDICTION Plant (Ln 41 + 43)	-	-	-	-	-
45 Functional Percentage (Ln 44/Total Ln 44)	0.00%	100.00%	0.00%		
46 Functionalized Expense in _____ JURISDICTION	-	-	-		<u>-</u>
JURISDICTION					
47 Net Plant in _____ JURISDICTION (Ln 24 - Ln 26 - Ln 3)	-	1,056,807,042	-	154,120	1,056,961,162
48 Less: Net Value Exempted Generation Plant	-	-	-	-	-
49 Taxable Property Basis	-	1,056,807,042	-	154,120	1,056,961,162
50 Relative Valuation Factor					
51 Weighted Net Plant (Ln 49 * Ln 50)	-	-	-	-	-
52 General Plant Allocator (Ln 51 / (Total - General Plant))	0.00%	100.00%	0.00%	-100.00%	
53 Functionalized General Plant (Ln 53 * General Plant)	-	-	-	-	-
54 Weighted _____ JURISDICTION Plant (Ln 51 + 53)	-	-	-	-	-
55 Functional Percentage (Ln 54/Total Ln 54)	0.00%	100.00%	0.00%		
56 Functionalized Expense in _____ JURISDICTION	-	-	-		<u>-</u>
57 Total Other Jurisdictions: (Line 7 * Net Plant Allocator)		-			<u>-</u>
58 Total Func. Property Taxes (Sum Lns 35, 46 56, 57)	-	<u>27,683,979</u>	-		<u>27,683,979</u>

Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference
1	Revenue Taxes			
2	Gross Receipts Tax	186	1 185	P.263 ln 11 (i) P.263 ln 12 (i) P.263.2 ln 4 (i)
3	Real Estate and Personal Property Taxes			
4	Real and Personal Property - Ohio	27,683,979	(1,993,021) 29,677,000 -	P.263 ln 20 (i) P.263 ln 21 (i) P.263 ln 20 (i) P.263 ln 39 (i) P.263.1 ln 2 (i) P.263.1 ln 3 (i)
5	Real and Personal Property - Virginia	-		P.263.2 ln 21 (i) P.263.2 ln 22 (i) P.263.2 ln 24 (i) P.263.2 ln 25 (i) P.263.2 ln 26 (i) P.263.2 ln 27 (i)
6	Real and Personal Property - Tennessee	-		P.263.3 ln 3 (i) P.263.3 ln 4 (i)
7	Real and Personal Property - Other Jurisdictions	-		P.263.4 ln 12 (i)
8	Payroll Taxes			
9	Federal Insurance Contribution (FICA)	-		P.263 ln 6 (i)
10	Federal Unemployment Tax	-		P.263 ln 9 (i)
11	State Unemployment Insurance	-		P.263.1 ln 23 (i) P.263.2 ln 33 (i) P.263.3 ln 16 (i)
12	<i>Line Left Deliberately Blank</i>			
13	State Severance Taxes	-		
14	Miscellaneous Taxes			
15	State Business & Occupation Tax	-		P.263 ln 21 (i) P.263 ln 22 (i)
16	State Public Service Commission Fees	63,960	9 63,951	P.263 ln 13 (i) P.263 ln 14 (i) P.263.3 ln 20 (i)
17	State Franchise Taxes	-		P.263.1 ln 18 (i) P.263.1 ln 19 (i) P.263.1 ln 34 (i) P.263.2 ln 10 (i) P.263.2 ln 11 (i) P.263.2 ln 38 (i) P.263.2 ln 39 (i) P.263.3 ln 27 (i) P.263.3 ln 28 (i) P.263.4 ln 20 (i) P.263.4 ln 27 (i)
18	State Lic/Registration Fee	-		P.263.1 ln 15 (i) P.263.2 ln 13 (i) P.263.3 ln 8 (i) P.263.4 ln 21 (i)
19	Misc. State and Local Tax	-		P.263.1 ln 12 (i)
20	Sales & Use	6	6	P.263 ln 15 (i) P.263.1 ln 14 (i) P.263.2 ln 16 (i) P.263.2 ln 17 (i) P.263.3 ln 21 (i)
21	Federal Excise Tax	-		P.263 ln 21 (i) P.263 ln 22 (i)
22	Michigan Single Business Tax	-		
23	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	27,748,131	27,748,131	

Note 1: The taxes assessed on each transmission company can differ from year to year and between transmission companies by both the type of taxes and the states in which they were assessed. Therefore, for each company, the types and jurisdictions of tax expense recorded on this page could differ from the same page in the same company's prior year template or from this page in other transmission companies' current year templates. For each update, this sheet will be revised to ensure that the total activity recorded hereon equals the total reported in account 408.1 on P. 114, Ln 14 of the Ferc Form 1.

**AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet I Supporting Transmission Plant in Service Additions
AEP OHIO TRANSMISSION COMPANY**

(A) (B) (C) (D) (E) (F) (G) (H) (I)

I. Calculation of Composite Depreciation Rate

1	Transmission Plant @ Beginning of Historic Period (2014) (P.206, In 58,(b)):	546,738,447
2	Transmission Plant @ End of Historic Period (2014) (P.207, In 58,(g)):	1,079,366,250
3		<u>1,626,104,697</u>
4	Average Balance of Transmission Investment	813,052,349
5	Annual Depreciation Expense, Historic TCOS, In 285	12,151,265
6	Composite Depreciation Rate	1.49%
7	Depreciation rate of AEP Operating Companies from Worksheet P (used if line 6 is zero)	1.49%

II. Calculation of Property Placed in Service by Month and the Related Depreciation Expense

8	Month in Service	Capitalized Balance	Composite Annual Depreciation Rate	Annual Depreciation	Monthly Depreciation	No. Months Depreciation	First Year Depreciation Expense
9	January	\$ 13,071,259	1.49%	\$ 195,353	\$ 16,279	11	\$ 179,069
10	February	\$ 857,376	1.49%	\$ 12,814	\$ 1,068	10	\$ 10,680
11	March	\$ 18,592,405	1.49%	\$ 277,868	\$ 23,156	9	\$ 208,404
12	April	\$ 21,347,195	1.49%	\$ 319,039	\$ 26,587	8	\$ 212,696
13	May	\$ 41,205,409	1.49%	\$ 615,825	\$ 51,319	7	\$ 359,233
14	June	\$ 157,358,932	1.49%	\$ 2,351,767	\$ 195,981	6	\$ 1,175,886
15	July	\$ 32,478,577	1.49%	\$ 485,400	\$ 40,450	5	\$ 202,250
16	August	\$ 10,186,964	1.49%	\$ 152,247	\$ 12,687	4	\$ 50,748
17	September	\$ 7,596,149	1.49%	\$ 113,526	\$ 9,461	3	\$ 28,383
18	October	\$ 14,813,857	1.49%	\$ 221,397	\$ 18,450	2	\$ 36,900
19	November	\$ 18,301,565	1.49%	\$ 273,521	\$ 22,793	1	\$ 22,793
20	December	\$ 124,057,225	1.49%	\$ 1,854,065	\$ 154,505	0	\$ -
21	Investment	<u>\$ 459,866,914</u>				Depreciation Expense	<u>\$ 2,487,042</u>

III. Plant Transferred

22	\$ -	<== This input area is for original cost plant
23	\$ -	<== This input area is for accumulated depreciation that may be associated with capital expenditures. It would have an impact if a company had assets transferred from a subsidiary.
24 (Ln 7 * Ln 22)	\$ -	<== This input area is for additional Depreciation Expense

IV. List of Major Projects Expected to be In-Service in 2015

	<u>Estimated Cost</u> <u>(000's)</u>	<u>Month in Service</u>
25 Major Zonal Projects		
26 T/OH/Rebuild Sporn - Waterford	\$58,297	December-15
27 T/OH/Holloway 345/138kV Stat	\$31,411	December-15
28 T/OH/Biers Run 345/138 kV Sta	\$29,971	June-15
29 T/Purchase Spare OH Transco Eq	\$28,758	December-15
30 T/OHTC/TransCo Line Rebuild	\$21,984	December-15
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44	Subtotal	\$170,421
45 PJM Socialized/Beneficiary Allocated Regional Projects		
46	\$0	
47	Subtotal	\$0

Note 1: Until AEP OHIO TRANSMISSION COMPANY establishes Transmission plant in service the depreciation expense component of the carrying charge will be calculated as in the Operating Company formula approved in Docket No. ER08-1329. The calculation for AEP OHIO TRANSMISSION COMPANY is shown on Worksheet P.

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
 AEP OHIO TRANSMISSION COMPANY

I. Calculate Return and Income Taxes with 0 basis point ROE increase for Projects Qualified for Regional Billing.

A. Determine 'R' with hypothetical 0 basis point increase in ROE for Identified Projects

ROE w/o incentives (Projected TCOS, In 176) 11.49%
 Project ROE Incentive Adder 0 <==ROE Adder Cannot Exceed 125 Basis Points
 ROE with additional 0 basis point incentive 11.49% <== ROE Including Incentives Cannot Exceed 12.74% Until July 1, 2012
 Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the Projected TCOS, Ins 159 through 162)

	%	Cost	Weighted cost
Long Term Debt	50.00%	4.14%	2.069%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	50.00%	11.49%	5.745%
R =			7.814%

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS			
PROJECTED YEAR	2015	Rev Require	W Incentives
		38,417,015	38,417,015
			Incentive Amounts
			\$ -

B. Determine Return using 'R' with hypothetical 0 basis point ROE increase for Identified Projects.

Rate Base (Projected TCOS, In 78) 1,299,305,812
 R (from A. above) 7.814%
 Return (Rate Base x R) 101,534,171

C. Determine Income Taxes using Return with hypothetical 0 basis point ROE increase for Identified Projects.

Return (from B. above) 101,534,171
 Effective Tax Rate (Projected TCOS, In 124) 39.59%
 Income Tax Calculation (Return x CIT) 40,193,526
 ITC Adjustment -
 Income Taxes 40,193,526

II. Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with hypothetical 0 basis point ROE increase.

A. Determine Annual Revenue Requirement less return and Income Taxes.

Annual Revenue Requirement (Projected TCOS, In 1) 191,068,558
 T.E.A. & Lease Payments (Projected TCOS, Lns 102 & 103) -
 Return (Projected TCOS, In 132) 101,534,171
 Income Taxes (Projected TCOS, In 131) 40,193,526
 Annual Revenue Requirement, Less TEA Charges, Return and Taxes 49,340,862

B. Determine Annual Revenue Requirement with hypothetical 0 basis point increase in ROE.

Annual Revenue Requirement, Less TEA Charges, Return and Taxes 49,340,862
 Return (from I.B. above) 101,534,171
 Income Taxes (from I.C. above) 40,193,526
 Annual Revenue Requirement, with 0 Basis Point ROE increase 191,068,558
 Depreciation (Projected TCOS, In 108) 12,151,265
 Annual Rev. Req. w/0 Basis Point ROE increase, less Depreciation 178,917,293

C. Determine FCR with hypothetical 0 basis point ROE increase.

Net Transmission Plant (Projected TCOS, In 48) 1,056,807,042
 Annual Revenue Requirement, with 0 Basis Point ROE increase 191,068,558
 FCR with 0 Basis Point increase in ROE 18.08%
 Annual Rev. Req. w / 0 Basis Point ROE increase, less Dep. 178,917,293
 FCR with 0 Basis Point ROE increase, less Depreciation 16.93%
 FCR less Depreciation (Projected TCOS, In 9) 11.75%
 Incremental FCR with 0 Basis Point ROE increase, less Depreciation 5.18%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Historic Period (2014) (P.206, In 58,(b)): 546,738,447
 Transmission Plant @ End of Historic Period (2014) (P.207, In 58,(g)): 1,079,366,250
 Subtotal 1,626,104,697
 Average Transmission Plant Balance for 2014 813,052,349
 Annual Depreciation Rate (Projected TCOS, In 108) 12,151,265
 Composite Depreciation Rate 1.49%
 Depreciable Life for Composite Depreciation Rate 66.91
 Round to nearest whole year 67

Note 1: Until AEP OHIO TRANSMISSION COMPANY establishes Transmission plant in service the depreciation expense component of the carrying charge will be calculated as in the Operating Company formula approved in Docket No. ER08-1329. The calculation for AEP OHIO TRANSMISSION COMPANY is shown on Worksheet P.

AEP OHIO TRANSMISSION COMPANY Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b0570 (LIMA-STERLING 138 KV LINE: REB)

Current Projected Year ARR	1,166,857
Current Projected Year ARR w/ Incentive	1,166,857
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	9,177,765		
Service Year (yyyy)	2012	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	137,164

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2012	9,177,765	-	9,177,765	1,078,027	1,078,027	\$ -	\$ 747,660	\$ 747,660
2013	9,177,765	137,164	9,040,601	1,199,080	1,199,080	\$ -	\$ 1,093,780	\$ 1,093,780
2014	9,040,601	137,164	8,903,437	1,182,968	1,182,968	\$ -	\$ 1,212,574	\$ 1,212,574
2015	8,903,437	137,164	8,766,273	1,166,857	1,166,857	\$ -		
2016	8,766,273	137,164	8,629,109	1,150,746	1,150,746	\$ -		
2017	8,629,109	137,164	8,491,945	1,134,634	1,134,634	\$ -		
2018	8,491,945	137,164	8,354,781	1,118,523	1,118,523	\$ -		
2019	8,354,781	137,164	8,217,617	1,102,412	1,102,412	\$ -		
2020	8,217,617	137,164	8,080,454	1,086,300	1,086,300	\$ -		
2021	8,080,454	137,164	7,943,290	1,070,189	1,070,189	\$ -		
2022	7,943,290	137,164	7,806,126	1,054,077	1,054,077	\$ -		
2023	7,806,126	137,164	7,668,962	1,037,966	1,037,966	\$ -		
2024	7,668,962	137,164	7,531,798	1,021,855	1,021,855	\$ -		
2025	7,531,798	137,164	7,394,634	1,005,743	1,005,743	\$ -		
2026	7,394,634	137,164	7,257,470	989,632	989,632	\$ -		
2027	7,257,470	137,164	7,120,306	973,521	973,521	\$ -		
2028	7,120,306	137,164	6,983,142	957,409	957,409	\$ -		
2029	6,983,142	137,164	6,845,978	941,298	941,298	\$ -		
2030	6,845,978	137,164	6,708,814	925,186	925,186	\$ -		
2031	6,708,814	137,164	6,571,650	909,075	909,075	\$ -		
2032	6,571,650	137,164	6,434,486	892,964	892,964	\$ -		
2033	6,434,486	137,164	6,297,322	876,852	876,852	\$ -		
2034	6,297,322	137,164	6,160,159	860,741	860,741	\$ -		
2035	6,160,159	137,164	6,022,995	844,629	844,629	\$ -		
2036	6,022,995	137,164	5,885,831	828,518	828,518	\$ -		
2037	5,885,831	137,164	5,748,667	812,407	812,407	\$ -		
2038	5,748,667	137,164	5,611,503	796,295	796,295	\$ -		
2039	5,611,503	137,164	5,474,339	780,184	780,184	\$ -		
2040	5,474,339	137,164	5,337,175	764,073	764,073	\$ -		
2041	5,337,175	137,164	5,200,011	747,961	747,961	\$ -		
2042	5,200,011	137,164	5,062,847	731,850	731,850	\$ -		
2043	5,062,847	137,164	4,925,683	715,738	715,738	\$ -		
2044	4,925,683	137,164	4,788,519	699,627	699,627	\$ -		
2045	4,788,519	137,164	4,651,355	683,516	683,516	\$ -		
2046	4,651,355	137,164	4,514,191	667,404	667,404	\$ -		
2047	4,514,191	137,164	4,377,027	651,293	651,293	\$ -		
2048	4,377,027	137,164	4,239,864	635,182	635,182	\$ -		
2049	4,239,864	137,164	4,102,700	619,070	619,070	\$ -		
2050	4,102,700	137,164	3,965,536	602,959	602,959	\$ -		
2051	3,965,536	137,164	3,828,372	586,847	586,847	\$ -		
2052	3,828,372	137,164	3,691,208	570,736	570,736	\$ -		
2053	3,691,208	137,164	3,554,044	554,625	554,625	\$ -		
2054	3,554,044	137,164	3,416,880	538,513	538,513	\$ -		
2055	3,416,880	137,164	3,279,716	522,402	522,402	\$ -		
2056	3,279,716	137,164	3,142,552	506,290	506,290	\$ -		
2057	3,142,552	137,164	3,005,388	490,179	490,179	\$ -		
2058	3,005,388	137,164	2,868,224	474,068	474,068	\$ -		
2059	2,868,224	137,164	2,731,060	457,956	457,956	\$ -		
2060	2,731,060	137,164	2,593,896	441,845	441,845	\$ -		
2061	2,593,896	137,164	2,456,732	425,734	425,734	\$ -		
2062	2,456,732	137,164	2,319,569	409,622	409,622	\$ -		
2063	2,319,569	137,164	2,182,405	393,511	393,511	\$ -		
2064	2,182,405	137,164	2,045,241	377,399	377,399	\$ -		
2065	2,045,241	137,164	1,908,077	361,288	361,288	\$ -		
2066	1,908,077	137,164	1,770,913	345,177	345,177	\$ -		
2067	1,770,913	137,164	1,633,749	329,065	329,065	\$ -		
2068	1,633,749	137,164	1,496,585	312,954	312,954	\$ -		
2069	1,496,585	137,164	1,359,421	296,843	296,843	\$ -		
2070	1,359,421	137,164	1,222,257	280,731	280,731	\$ -		
2071	1,222,257	137,164	1,085,093	264,620	264,620	\$ -		
Project Totals		8,092,672		44,257,166	44,257,166	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	435,575
Current Projected Year ARR w/ Incentive	435,575
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1231 (WAPAKONETA-WEST MOULTON 138/69KV Transformer)

Details		Current Year	
		2015	
Investment	3,473,922	ROE increase accepted by FERC (Basis Points)	-
Service Year (yyyy)	2011	FCR w/o incentives, less depreciation	11.75%
Service Month (1-12)	12	FCR w/incentives approved for these facilities, less dep.	11.75%
Useful life	67	Annual Depreciation Expense	51,919
CIAC (Yes or No)	No		

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2011	3,473,922	-	3,473,922	408,050	408,050	\$ -		
2012	3,473,922	51,919	3,422,003	453,870	453,870	\$ -	\$ 386,386	\$ 386,386
2013	3,422,003	51,919	3,370,085	447,771	447,771	\$ -	\$ 410,711	\$ 410,711
2014	3,370,085	51,919	3,318,166	441,673	441,673	\$ -	\$ 453,040	\$ 453,040
2015	3,318,166	51,919	3,266,248	435,575	435,575	\$ -		
2016	3,266,248	51,919	3,214,329	429,476	429,476	\$ -		
2017	3,214,329	51,919	3,162,410	423,378	423,378	\$ -		
2018	3,162,410	51,919	3,110,492	417,279	417,279	\$ -		
2019	3,110,492	51,919	3,058,573	411,181	411,181	\$ -		
2020	3,058,573	51,919	3,006,655	405,083	405,083	\$ -		
2021	3,006,655	51,919	2,954,736	398,984	398,984	\$ -		
2022	2,954,736	51,919	2,902,817	392,886	392,886	\$ -		
2023	2,902,817	51,919	2,850,899	386,787	386,787	\$ -		
2024	2,850,899	51,919	2,798,980	380,689	380,689	\$ -		
2025	2,798,980	51,919	2,747,061	374,591	374,591	\$ -		
2026	2,747,061	51,919	2,695,143	368,492	368,492	\$ -		
2027	2,695,143	51,919	2,643,224	362,394	362,394	\$ -		
2028	2,643,224	51,919	2,591,306	356,295	356,295	\$ -		
2029	2,591,306	51,919	2,539,387	350,197	350,197	\$ -		
2030	2,539,387	51,919	2,487,468	344,099	344,099	\$ -		
2031	2,487,468	51,919	2,435,550	338,000	338,000	\$ -		
2032	2,435,550	51,919	2,383,631	331,902	331,902	\$ -		
2033	2,383,631	51,919	2,331,713	325,803	325,803	\$ -		
2034	2,331,713	51,919	2,279,794	319,705	319,705	\$ -		
2035	2,279,794	51,919	2,227,875	313,607	313,607	\$ -		
2036	2,227,875	51,919	2,175,957	307,508	307,508	\$ -		
2037	2,175,957	51,919	2,124,038	301,410	301,410	\$ -		
2038	2,124,038	51,919	2,072,120	295,311	295,311	\$ -		
2039	2,072,120	51,919	2,020,201	289,213	289,213	\$ -		
2040	2,020,201	51,919	1,968,282	283,115	283,115	\$ -		
2041	1,968,282	51,919	1,916,364	277,016	277,016	\$ -		
2042	1,916,364	51,919	1,864,445	270,918	270,918	\$ -		
2043	1,864,445	51,919	1,812,527	264,819	264,819	\$ -		
2044	1,812,527	51,919	1,760,608	258,721	258,721	\$ -		
2045	1,760,608	51,919	1,708,689	252,623	252,623	\$ -		
2046	1,708,689	51,919	1,656,771	246,524	246,524	\$ -		
2047	1,656,771	51,919	1,604,852	240,426	240,426	\$ -		
2048	1,604,852	51,919	1,552,933	234,327	234,327	\$ -		
2049	1,552,933	51,919	1,501,015	228,229	228,229	\$ -		
2050	1,501,015	51,919	1,449,096	222,131	222,131	\$ -		
2051	1,449,096	51,919	1,397,178	216,032	216,032	\$ -		
2052	1,397,178	51,919	1,345,259	209,934	209,934	\$ -		
2053	1,345,259	51,919	1,293,340	203,835	203,835	\$ -		
2054	1,293,340	51,919	1,241,422	197,737	197,737	\$ -		
2055	1,241,422	51,919	1,189,503	191,639	191,639	\$ -		
2056	1,189,503	51,919	1,137,585	185,540	185,540	\$ -		
2057	1,137,585	51,919	1,085,666	179,442	179,442	\$ -		
2058	1,085,666	51,919	1,033,747	173,343	173,343	\$ -		
2059	1,033,747	51,919	981,829	167,245	167,245	\$ -		
2060	981,829	51,919	929,910	161,147	161,147	\$ -		
2061	929,910	51,919	877,992	155,048	155,048	\$ -		
2062	877,992	51,919	826,073	148,950	148,950	\$ -		
2063	826,073	51,919	774,154	142,851	142,851	\$ -		
2064	774,154	51,919	722,236	136,753	136,753	\$ -		
2065	722,236	51,919	670,317	130,655	130,655	\$ -		
2066	670,317	51,919	618,399	124,556	124,556	\$ -		
2067	618,399	51,919	566,480	118,458	118,458	\$ -		
2068	566,480	51,919	514,561	112,359	112,359	\$ -		
2069	514,561	51,919	462,643	106,261	106,261	\$ -		
2070	462,643	51,919	410,724	100,163	100,163	\$ -		
Project Totals		3,063,198		16,752,003	16,752,003	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1034.1 (South Canton - West Canton 138KV line and Wagenhals - Wayview 138KV)

Current Projected Year ARR	1,065,163
Current Projected Year ARR w/ Incentive	1,065,163
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	8,273,188		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	11	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	123,645

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2013	8,273,188	10,304	8,262,884	980,868	980,868	\$ -	\$ 443,007	\$ 443,007
2014	8,262,884	123,645	8,139,239	1,079,686	1,079,686	\$ -	\$ 964,332	\$ 964,332
2015	8,139,239	123,645	8,015,595	1,065,163	1,065,163	\$ -		
2016	8,015,595	123,645	7,891,950	1,050,639	1,050,639	\$ -		
2017	7,891,950	123,645	7,768,305	1,036,116	1,036,116	\$ -		
2018	7,768,305	123,645	7,644,660	1,021,592	1,021,592	\$ -		
2019	7,644,660	123,645	7,521,015	1,007,069	1,007,069	\$ -		
2020	7,521,015	123,645	7,397,371	992,546	992,546	\$ -		
2021	7,397,371	123,645	7,273,726	978,022	978,022	\$ -		
2022	7,273,726	123,645	7,150,081	963,499	963,499	\$ -		
2023	7,150,081	123,645	7,026,436	948,975	948,975	\$ -		
2024	7,026,436	123,645	6,902,791	934,452	934,452	\$ -		
2025	6,902,791	123,645	6,779,147	919,929	919,929	\$ -		
2026	6,779,147	123,645	6,655,502	905,405	905,405	\$ -		
2027	6,655,502	123,645	6,531,857	890,882	890,882	\$ -		
2028	6,531,857	123,645	6,408,212	876,358	876,358	\$ -		
2029	6,408,212	123,645	6,284,567	861,835	861,835	\$ -		
2030	6,284,567	123,645	6,160,923	847,311	847,311	\$ -		
2031	6,160,923	123,645	6,037,278	832,788	832,788	\$ -		
2032	6,037,278	123,645	5,913,633	818,265	818,265	\$ -		
2033	5,913,633	123,645	5,789,988	803,741	803,741	\$ -		
2034	5,789,988	123,645	5,666,343	789,218	789,218	\$ -		
2035	5,666,343	123,645	5,542,699	774,694	774,694	\$ -		
2036	5,542,699	123,645	5,419,054	760,171	760,171	\$ -		
2037	5,419,054	123,645	5,295,409	745,648	745,648	\$ -		
2038	5,295,409	123,645	5,171,764	731,124	731,124	\$ -		
2039	5,171,764	123,645	5,048,119	716,601	716,601	\$ -		
2040	5,048,119	123,645	4,924,475	702,077	702,077	\$ -		
2041	4,924,475	123,645	4,800,830	687,554	687,554	\$ -		
2042	4,800,830	123,645	4,677,185	673,031	673,031	\$ -		
2043	4,677,185	123,645	4,553,540	658,507	658,507	\$ -		
2044	4,553,540	123,645	4,429,895	643,984	643,984	\$ -		
2045	4,429,895	123,645	4,306,250	629,460	629,460	\$ -		
2046	4,306,250	123,645	4,182,606	614,937	614,937	\$ -		
2047	4,182,606	123,645	4,058,961	600,413	600,413	\$ -		
2048	4,058,961	123,645	3,935,316	585,890	585,890	\$ -		
2049	3,935,316	123,645	3,811,671	571,367	571,367	\$ -		
2050	3,811,671	123,645	3,688,026	556,843	556,843	\$ -		
2051	3,688,026	123,645	3,564,382	542,320	542,320	\$ -		
2052	3,564,382	123,645	3,440,737	527,796	527,796	\$ -		
2053	3,440,737	123,645	3,317,092	513,273	513,273	\$ -		
2054	3,317,092	123,645	3,193,447	498,750	498,750	\$ -		
2055	3,193,447	123,645	3,069,802	484,226	484,226	\$ -		
2056	3,069,802	123,645	2,946,158	469,703	469,703	\$ -		
2057	2,946,158	123,645	2,822,513	455,179	455,179	\$ -		
2058	2,822,513	123,645	2,698,868	440,656	440,656	\$ -		
2059	2,698,868	123,645	2,575,223	426,132	426,132	\$ -		
2060	2,575,223	123,645	2,451,578	411,609	411,609	\$ -		
2061	2,451,578	123,645	2,327,934	397,086	397,086	\$ -		
2062	2,327,934	123,645	2,204,289	382,562	382,562	\$ -		
2063	2,204,289	123,645	2,080,644	368,039	368,039	\$ -		
2064	2,080,644	123,645	1,956,999	353,515	353,515	\$ -		
2065	1,956,999	123,645	1,833,354	338,992	338,992	\$ -		
2066	1,833,354	123,645	1,709,710	324,469	324,469	\$ -		
2067	1,709,710	123,645	1,586,065	309,945	309,945	\$ -		
2068	1,586,065	123,645	1,462,420	295,422	295,422	\$ -		
2069	1,462,420	123,645	1,338,775	280,898	280,898	\$ -		
2070	1,338,775	123,645	1,215,130	266,375	266,375	\$ -		
2071	1,215,130	123,645	1,091,486	251,852	251,852	\$ -		
2072	1,091,486	123,645	967,841	237,328	237,328	\$ -		
Project Totals		7,305,347		39,832,787	39,832,787	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	554,603
Current Projected Year ARR w/ Incentive	554,603
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1034.8 (138kV Circuit Breakers at the West Canton, South Canton, Canton Central, and Wagenhals stations)

Details		Current Year	
Investment	4,302,746		2015
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	64,306

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2013	4,302,746	-	4,302,746	505,404	505,404	\$ -	\$ 244,284	\$ 244,284
2014	4,302,746	64,306	4,238,440	562,156	562,156	\$ -	\$ 568,269	\$ 568,269
2015	4,238,440	64,306	4,174,135	554,603	554,603	\$ -		
2016	4,174,135	64,306	4,109,829	547,049	547,049	\$ -		
2017	4,109,829	64,306	4,045,524	539,496	539,496	\$ -		
2018	4,045,524	64,306	3,981,218	531,942	531,942	\$ -		
2019	3,981,218	64,306	3,916,912	524,389	524,389	\$ -		
2020	3,916,912	64,306	3,852,607	516,836	516,836	\$ -		
2021	3,852,607	64,306	3,788,301	509,282	509,282	\$ -		
2022	3,788,301	64,306	3,723,996	501,729	501,729	\$ -		
2023	3,723,996	64,306	3,659,690	494,176	494,176	\$ -		
2024	3,659,690	64,306	3,595,385	486,622	486,622	\$ -		
2025	3,595,385	64,306	3,531,079	479,069	479,069	\$ -		
2026	3,531,079	64,306	3,466,773	471,515	471,515	\$ -		
2027	3,466,773	64,306	3,402,468	463,962	463,962	\$ -		
2028	3,402,468	64,306	3,338,162	456,409	456,409	\$ -		
2029	3,338,162	64,306	3,273,857	448,855	448,855	\$ -		
2030	3,273,857	64,306	3,209,551	441,302	441,302	\$ -		
2031	3,209,551	64,306	3,145,245	433,749	433,749	\$ -		
2032	3,145,245	64,306	3,080,940	426,195	426,195	\$ -		
2033	3,080,940	64,306	3,016,634	418,642	418,642	\$ -		
2034	3,016,634	64,306	2,952,329	411,088	411,088	\$ -		
2035	2,952,329	64,306	2,888,023	403,535	403,535	\$ -		
2036	2,888,023	64,306	2,823,718	395,982	395,982	\$ -		
2037	2,823,718	64,306	2,759,412	388,428	388,428	\$ -		
2038	2,759,412	64,306	2,695,106	380,875	380,875	\$ -		
2039	2,695,106	64,306	2,630,801	373,321	373,321	\$ -		
2040	2,630,801	64,306	2,566,495	365,768	365,768	\$ -		
2041	2,566,495	64,306	2,502,190	358,215	358,215	\$ -		
2042	2,502,190	64,306	2,437,884	350,661	350,661	\$ -		
2043	2,437,884	64,306	2,373,578	343,108	343,108	\$ -		
2044	2,373,578	64,306	2,309,273	335,555	335,555	\$ -		
2045	2,309,273	64,306	2,244,967	328,001	328,001	\$ -		
2046	2,244,967	64,306	2,180,662	320,448	320,448	\$ -		
2047	2,180,662	64,306	2,116,356	312,894	312,894	\$ -		
2048	2,116,356	64,306	2,052,051	305,341	305,341	\$ -		
2049	2,052,051	64,306	1,987,745	297,788	297,788	\$ -		
2050	1,987,745	64,306	1,923,439	290,234	290,234	\$ -		
2051	1,923,439	64,306	1,859,134	282,681	282,681	\$ -		
2052	1,859,134	64,306	1,794,828	275,127	275,127	\$ -		
2053	1,794,828	64,306	1,730,523	267,574	267,574	\$ -		
2054	1,730,523	64,306	1,666,217	260,021	260,021	\$ -		
2055	1,666,217	64,306	1,601,911	252,467	252,467	\$ -		
2056	1,601,911	64,306	1,537,606	244,914	244,914	\$ -		
2057	1,537,606	64,306	1,473,300	237,361	237,361	\$ -		
2058	1,473,300	64,306	1,408,995	229,807	229,807	\$ -		
2059	1,408,995	64,306	1,344,689	222,254	222,254	\$ -		
2060	1,344,689	64,306	1,280,384	214,700	214,700	\$ -		
2061	1,280,384	64,306	1,216,078	207,147	207,147	\$ -		
2062	1,216,078	64,306	1,151,772	199,594	199,594	\$ -		
2063	1,151,772	64,306	1,087,467	192,040	192,040	\$ -		
2064	1,087,467	64,306	1,023,161	184,487	184,487	\$ -		
2065	1,023,161	64,306	958,856	176,933	176,933	\$ -		
2066	958,856	64,306	894,550	169,380	169,380	\$ -		
2067	894,550	64,306	830,244	161,827	161,827	\$ -		
2068	830,244	64,306	765,939	154,273	154,273	\$ -		
2069	765,939	64,306	701,633	146,720	146,720	\$ -		
2070	701,633	64,306	637,328	139,167	139,167	\$ -		
2071	637,328	64,306	573,022	131,613	131,613	\$ -		
2072	573,022	64,306	508,716	124,060	124,060	\$ -		
Project Totals		3,794,030		20,748,771	20,748,771	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	137,783
Current Projected Year ARR w/ Incentive	137,783
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1864.2 (West Bellaire-Brues 138 kV Circuit)

Details		Current Year	2015
Investment	1,071,384		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	16,012

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2013	1,071,384	2,669	1,068,715	128,201	128,201	\$ -	\$ 124,755	\$ 124,755
2014	1,068,715	16,012	1,052,703	139,663	139,663	\$ -	\$ 140,765	\$ 140,765
2015	1,052,703	16,012	1,036,691	137,783	137,783	\$ -		
2016	1,036,691	16,012	1,020,679	135,902	135,902	\$ -		
2017	1,020,679	16,012	1,004,667	134,021	134,021	\$ -		
2018	1,004,667	16,012	988,655	132,140	132,140	\$ -		
2019	988,655	16,012	972,643	130,259	130,259	\$ -		
2020	972,643	16,012	956,631	128,379	128,379	\$ -		
2021	956,631	16,012	940,619	126,498	126,498	\$ -		
2022	940,619	16,012	924,606	124,617	124,617	\$ -		
2023	924,606	16,012	908,594	122,736	122,736	\$ -		
2024	908,594	16,012	892,582	120,855	120,855	\$ -		
2025	892,582	16,012	876,570	118,975	118,975	\$ -		
2026	876,570	16,012	860,558	117,094	117,094	\$ -		
2027	860,558	16,012	844,546	115,213	115,213	\$ -		
2028	844,546	16,012	828,534	113,332	113,332	\$ -		
2029	828,534	16,012	812,522	111,452	111,452	\$ -		
2030	812,522	16,012	796,510	109,571	109,571	\$ -		
2031	796,510	16,012	780,498	107,690	107,690	\$ -		
2032	780,498	16,012	764,486	105,809	105,809	\$ -		
2033	764,486	16,012	748,473	103,928	103,928	\$ -		
2034	748,473	16,012	732,461	102,048	102,048	\$ -		
2035	732,461	16,012	716,449	100,167	100,167	\$ -		
2036	716,449	16,012	700,437	98,286	98,286	\$ -		
2037	700,437	16,012	684,425	96,405	96,405	\$ -		
2038	684,425	16,012	668,413	94,524	94,524	\$ -		
2039	668,413	16,012	652,401	92,644	92,644	\$ -		
2040	652,401	16,012	636,389	90,763	90,763	\$ -		
2041	636,389	16,012	620,377	88,882	88,882	\$ -		
2042	620,377	16,012	604,365	87,001	87,001	\$ -		
2043	604,365	16,012	588,352	85,120	85,120	\$ -		
2044	588,352	16,012	572,340	83,240	83,240	\$ -		
2045	572,340	16,012	556,328	81,359	81,359	\$ -		
2046	556,328	16,012	540,316	79,478	79,478	\$ -		
2047	540,316	16,012	524,304	77,597	77,597	\$ -		
2048	524,304	16,012	508,292	75,716	75,716	\$ -		
2049	508,292	16,012	492,280	73,836	73,836	\$ -		
2050	492,280	16,012	476,268	71,955	71,955	\$ -		
2051	476,268	16,012	460,256	70,074	70,074	\$ -		
2052	460,256	16,012	444,244	68,193	68,193	\$ -		
2053	444,244	16,012	428,232	66,312	66,312	\$ -		
2054	428,232	16,012	412,219	64,432	64,432	\$ -		
2055	412,219	16,012	396,207	62,551	62,551	\$ -		
2056	396,207	16,012	380,195	60,670	60,670	\$ -		
2057	380,195	16,012	364,183	58,789	58,789	\$ -		
2058	364,183	16,012	348,171	56,909	56,909	\$ -		
2059	348,171	16,012	332,159	55,028	55,028	\$ -		
2060	332,159	16,012	316,147	53,147	53,147	\$ -		
2061	316,147	16,012	300,135	51,266	51,266	\$ -		
2062	300,135	16,012	284,123	49,385	49,385	\$ -		
2063	284,123	16,012	268,111	47,505	47,505	\$ -		
2064	268,111	16,012	252,099	45,624	45,624	\$ -		
2065	252,099	16,012	236,086	43,743	43,743	\$ -		
2066	236,086	16,012	220,074	41,862	41,862	\$ -		
2067	220,074	16,012	204,062	39,981	39,981	\$ -		
2068	204,062	16,012	188,050	38,101	38,101	\$ -		
2069	188,050	16,012	172,038	36,220	36,220	\$ -		
2070	172,038	16,012	156,026	34,339	34,339	\$ -		
2071	156,026	16,012	140,014	32,458	32,458	\$ -		
2072	140,014	16,012	124,002	30,577	30,577	\$ -		
Project Totals		947,382		5,150,306	5,150,306	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [redacted] (e.g. ER05-925-000)

Current Projected Year ARR	882,849
Current Projected Year ARR w/ Incentive	882,849
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1870 (Replace Ohio Central transformer #1 345/138/12 kV 450 MVA for a 345/138/34.5 kV 675 MVA transformer)

Details		Current Year		2015	
Investment	6,849,365	ROE increase accepted by FERC (Basis Points)	-		
Service Year (yyyy)	2013	FCR w/o incentives, less depreciation	11.75%		
Service Month (1-12)	12	FCR w/incentives approved for these facilities, less dep.	11.75%		
Useful life	67	Annual Depreciation Expense	102,365		
CIAC (Yes or No)	No				

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2013	6,849,365	-	6,849,365	804,532	804,532	\$ -	\$ 576,980	\$ 576,980
2014	6,849,365	102,365	6,747,000	894,873	894,873	\$ -	\$ 900,905	\$ 900,905
2015	6,747,000	102,365	6,644,634	882,849	882,849	\$ -		
2016	6,644,634	102,365	6,542,269	870,825	870,825	\$ -		
2017	6,542,269	102,365	6,439,903	858,801	858,801	\$ -		
2018	6,439,903	102,365	6,337,538	846,777	846,777	\$ -		
2019	6,337,538	102,365	6,235,172	834,754	834,754	\$ -		
2020	6,235,172	102,365	6,132,807	822,730	822,730	\$ -		
2021	6,132,807	102,365	6,030,442	810,706	810,706	\$ -		
2022	6,030,442	102,365	5,928,076	798,682	798,682	\$ -		
2023	5,928,076	102,365	5,825,711	786,658	786,658	\$ -		
2024	5,825,711	102,365	5,723,345	774,634	774,634	\$ -		
2025	5,723,345	102,365	5,620,980	762,610	762,610	\$ -		
2026	5,620,980	102,365	5,518,614	750,586	750,586	\$ -		
2027	5,518,614	102,365	5,416,249	738,562	738,562	\$ -		
2028	5,416,249	102,365	5,313,884	726,538	726,538	\$ -		
2029	5,313,884	102,365	5,211,518	714,514	714,514	\$ -		
2030	5,211,518	102,365	5,109,153	702,490	702,490	\$ -		
2031	5,109,153	102,365	5,006,787	690,466	690,466	\$ -		
2032	5,006,787	102,365	4,904,422	678,443	678,443	\$ -		
2033	4,904,422	102,365	4,802,057	666,419	666,419	\$ -		
2034	4,802,057	102,365	4,699,691	654,395	654,395	\$ -		
2035	4,699,691	102,365	4,597,326	642,371	642,371	\$ -		
2036	4,597,326	102,365	4,494,960	630,347	630,347	\$ -		
2037	4,494,960	102,365	4,392,595	618,323	618,323	\$ -		
2038	4,392,595	102,365	4,290,229	606,299	606,299	\$ -		
2039	4,290,229	102,365	4,187,864	594,275	594,275	\$ -		
2040	4,187,864	102,365	4,085,499	582,251	582,251	\$ -		
2041	4,085,499	102,365	3,983,133	570,227	570,227	\$ -		
2042	3,983,133	102,365	3,880,768	558,203	558,203	\$ -		
2043	3,880,768	102,365	3,778,402	546,179	546,179	\$ -		
2044	3,778,402	102,365	3,676,037	534,156	534,156	\$ -		
2045	3,676,037	102,365	3,573,671	522,132	522,132	\$ -		
2046	3,573,671	102,365	3,471,306	510,108	510,108	\$ -		
2047	3,471,306	102,365	3,368,941	498,084	498,084	\$ -		
2048	3,368,941	102,365	3,266,575	486,060	486,060	\$ -		
2049	3,266,575	102,365	3,164,210	474,036	474,036	\$ -		
2050	3,164,210	102,365	3,061,844	462,012	462,012	\$ -		
2051	3,061,844	102,365	2,959,479	449,988	449,988	\$ -		
2052	2,959,479	102,365	2,857,113	437,964	437,964	\$ -		
2053	2,857,113	102,365	2,754,748	425,940	425,940	\$ -		
2054	2,754,748	102,365	2,652,383	413,916	413,916	\$ -		
2055	2,652,383	102,365	2,550,017	401,892	401,892	\$ -		
2056	2,550,017	102,365	2,447,652	389,868	389,868	\$ -		
2057	2,447,652	102,365	2,345,286	377,845	377,845	\$ -		
2058	2,345,286	102,365	2,242,921	365,821	365,821	\$ -		
2059	2,242,921	102,365	2,140,555	353,797	353,797	\$ -		
2060	2,140,555	102,365	2,038,190	341,773	341,773	\$ -		
2061	2,038,190	102,365	1,935,825	329,749	329,749	\$ -		
2062	1,935,825	102,365	1,833,459	317,725	317,725	\$ -		
2063	1,833,459	102,365	1,731,094	305,701	305,701	\$ -		
2064	1,731,094	102,365	1,628,728	293,677	293,677	\$ -		
2065	1,628,728	102,365	1,526,363	281,653	281,653	\$ -		
2066	1,526,363	102,365	1,423,997	269,629	269,629	\$ -		
2067	1,423,997	102,365	1,321,632	257,605	257,605	\$ -		
2068	1,321,632	102,365	1,219,267	245,581	245,581	\$ -		
2069	1,219,267	102,365	1,116,901	233,557	233,557	\$ -		
2070	1,116,901	102,365	1,014,536	221,534	221,534	\$ -		
2071	1,014,536	102,365	912,170	209,510	209,510	\$ -		
2072	912,170	102,365	809,805	197,486	197,486	\$ -		
Project Totals		6,039,560		33,029,118	33,029,118	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1032.2 (Construct two 138kV outlets to Delano 138kV station and to Camp Sherman station)

Current Projected Year ARR	962,431
Current Projected Year ARR w/ Incentive	962,431
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	7,689,927		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	5	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	114,928

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	7,689,927	67,041	7,622,886	962,431	962,431	\$ -		
2016	7,622,886	114,928	7,507,958	996,818	996,818	\$ -		
2017	7,507,958	114,928	7,393,030	983,319	983,319	\$ -		
2018	7,393,030	114,928	7,278,102	969,819	969,819	\$ -		
2019	7,278,102	114,928	7,163,174	956,320	956,320	\$ -		
2020	7,163,174	114,928	7,048,247	942,820	942,820	\$ -		
2021	7,048,247	114,928	6,933,319	929,321	929,321	\$ -		
2022	6,933,319	114,928	6,818,391	915,821	915,821	\$ -		
2023	6,818,391	114,928	6,703,463	902,322	902,322	\$ -		
2024	6,703,463	114,928	6,588,535	888,822	888,822	\$ -		
2025	6,588,535	114,928	6,473,607	875,323	875,323	\$ -		
2026	6,473,607	114,928	6,358,680	861,823	861,823	\$ -		
2027	6,358,680	114,928	6,243,752	848,324	848,324	\$ -		
2028	6,243,752	114,928	6,128,824	834,824	834,824	\$ -		
2029	6,128,824	114,928	6,013,896	821,325	821,325	\$ -		
2030	6,013,896	114,928	5,898,968	807,825	807,825	\$ -		
2031	5,898,968	114,928	5,784,041	794,326	794,326	\$ -		
2032	5,784,041	114,928	5,669,113	780,826	780,826	\$ -		
2033	5,669,113	114,928	5,554,185	767,327	767,327	\$ -		
2034	5,554,185	114,928	5,439,257	753,827	753,827	\$ -		
2035	5,439,257	114,928	5,324,329	740,328	740,328	\$ -		
2036	5,324,329	114,928	5,209,401	726,828	726,828	\$ -		
2037	5,209,401	114,928	5,094,474	713,329	713,329	\$ -		
2038	5,094,474	114,928	4,979,546	699,829	699,829	\$ -		
2039	4,979,546	114,928	4,864,618	686,330	686,330	\$ -		
2040	4,864,618	114,928	4,749,690	672,830	672,830	\$ -		
2041	4,749,690	114,928	4,634,762	659,331	659,331	\$ -		
2042	4,634,762	114,928	4,519,834	645,831	645,831	\$ -		
2043	4,519,834	114,928	4,404,907	632,332	632,332	\$ -		
2044	4,404,907	114,928	4,289,979	618,832	618,832	\$ -		
2045	4,289,979	114,928	4,175,051	605,332	605,332	\$ -		
2046	4,175,051	114,928	4,060,123	591,833	591,833	\$ -		
2047	4,060,123	114,928	3,945,195	578,333	578,333	\$ -		
2048	3,945,195	114,928	3,830,267	564,834	564,834	\$ -		
2049	3,830,267	114,928	3,715,340	551,334	551,334	\$ -		
2050	3,715,340	114,928	3,600,412	537,835	537,835	\$ -		
2051	3,600,412	114,928	3,485,484	524,335	524,335	\$ -		
2052	3,485,484	114,928	3,370,556	510,836	510,836	\$ -		
2053	3,370,556	114,928	3,255,628	497,336	497,336	\$ -		
2054	3,255,628	114,928	3,140,700	483,837	483,837	\$ -		
2055	3,140,700	114,928	3,025,773	470,337	470,337	\$ -		
2056	3,025,773	114,928	2,910,845	456,838	456,838	\$ -		
2057	2,910,845	114,928	2,795,917	443,338	443,338	\$ -		
2058	2,795,917	114,928	2,680,989	429,839	429,839	\$ -		
2059	2,680,989	114,928	2,566,061	416,339	416,339	\$ -		
2060	2,566,061	114,928	2,451,133	402,840	402,840	\$ -		
2061	2,451,133	114,928	2,336,206	389,340	389,340	\$ -		
2062	2,336,206	114,928	2,221,278	375,841	375,841	\$ -		
2063	2,221,278	114,928	2,106,350	362,341	362,341	\$ -		
2064	2,106,350	114,928	1,991,422	348,842	348,842	\$ -		
2065	1,991,422	114,928	1,876,494	335,342	335,342	\$ -		
2066	1,876,494	114,928	1,761,567	321,843	321,843	\$ -		
2067	1,761,567	114,928	1,646,639	308,343	308,343	\$ -		
2068	1,646,639	114,928	1,531,711	294,844	294,844	\$ -		
2069	1,531,711	114,928	1,416,783	281,344	281,344	\$ -		
2070	1,416,783	114,928	1,301,855	267,845	267,845	\$ -		
2071	1,301,855	114,928	1,186,927	254,345	254,345	\$ -		
2072	1,186,927	114,928	1,072,000	240,846	240,846	\$ -		
2073	1,072,000	114,928	957,072	227,346	227,346	\$ -		
2074	957,072	114,928	842,144	213,847	213,847	\$ -		
Project Totals		6,847,783		36,677,048	36,677,048	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	774,598
Current Projected Year ARR w/ Incentive	774,598
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1034.2 (Loop the existing South Canton - Wayview 138kV circuit in-and-out of West Canton)

Details		Current Year	2015
Investment	5,942,082		
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	88,806

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2014	5,942,082	14,801	5,927,281	711,024	711,024	\$ -	\$ 580,874	\$ 580,874
2015	5,927,281	88,806	5,838,475	774,598	774,598	\$ -		
2016	5,838,475	88,806	5,749,669	764,166	764,166	\$ -		
2017	5,749,669	88,806	5,660,863	753,735	753,735	\$ -		
2018	5,660,863	88,806	5,572,058	743,304	743,304	\$ -		
2019	5,572,058	88,806	5,483,252	732,873	732,873	\$ -		
2020	5,483,252	88,806	5,394,446	722,442	722,442	\$ -		
2021	5,394,446	88,806	5,305,640	712,010	712,010	\$ -		
2022	5,305,640	88,806	5,216,834	701,579	701,579	\$ -		
2023	5,216,834	88,806	5,128,028	691,148	691,148	\$ -		
2024	5,128,028	88,806	5,039,222	680,717	680,717	\$ -		
2025	5,039,222	88,806	4,950,417	670,286	670,286	\$ -		
2026	4,950,417	88,806	4,861,611	659,854	659,854	\$ -		
2027	4,861,611	88,806	4,772,805	649,423	649,423	\$ -		
2028	4,772,805	88,806	4,683,999	638,992	638,992	\$ -		
2029	4,683,999	88,806	4,595,193	628,561	628,561	\$ -		
2030	4,595,193	88,806	4,506,387	618,130	618,130	\$ -		
2031	4,506,387	88,806	4,417,581	607,698	607,698	\$ -		
2032	4,417,581	88,806	4,328,776	597,267	597,267	\$ -		
2033	4,328,776	88,806	4,239,970	586,836	586,836	\$ -		
2034	4,239,970	88,806	4,151,164	576,405	576,405	\$ -		
2035	4,151,164	88,806	4,062,358	565,974	565,974	\$ -		
2036	4,062,358	88,806	3,973,552	555,542	555,542	\$ -		
2037	3,973,552	88,806	3,884,746	545,111	545,111	\$ -		
2038	3,884,746	88,806	3,795,940	534,680	534,680	\$ -		
2039	3,795,940	88,806	3,707,135	524,249	524,249	\$ -		
2040	3,707,135	88,806	3,618,329	513,818	513,818	\$ -		
2041	3,618,329	88,806	3,529,523	503,386	503,386	\$ -		
2042	3,529,523	88,806	3,440,717	492,955	492,955	\$ -		
2043	3,440,717	88,806	3,351,911	482,524	482,524	\$ -		
2044	3,351,911	88,806	3,263,105	472,093	472,093	\$ -		
2045	3,263,105	88,806	3,174,299	461,661	461,661	\$ -		
2046	3,174,299	88,806	3,085,494	451,230	451,230	\$ -		
2047	3,085,494	88,806	2,996,688	440,799	440,799	\$ -		
2048	2,996,688	88,806	2,907,882	430,368	430,368	\$ -		
2049	2,907,882	88,806	2,819,076	419,937	419,937	\$ -		
2050	2,819,076	88,806	2,730,270	409,505	409,505	\$ -		
2051	2,730,270	88,806	2,641,464	399,074	399,074	\$ -		
2052	2,641,464	88,806	2,552,658	388,643	388,643	\$ -		
2053	2,552,658	88,806	2,463,852	378,212	378,212	\$ -		
2054	2,463,852	88,806	2,375,047	367,781	367,781	\$ -		
2055	2,375,047	88,806	2,286,241	357,349	357,349	\$ -		
2056	2,286,241	88,806	2,197,435	346,918	346,918	\$ -		
2057	2,197,435	88,806	2,108,629	336,487	336,487	\$ -		
2058	2,108,629	88,806	2,019,823	326,056	326,056	\$ -		
2059	2,019,823	88,806	1,931,017	315,625	315,625	\$ -		
2060	1,931,017	88,806	1,842,211	305,193	305,193	\$ -		
2061	1,842,211	88,806	1,753,406	294,762	294,762	\$ -		
2062	1,753,406	88,806	1,664,600	284,331	284,331	\$ -		
2063	1,664,600	88,806	1,575,794	273,900	273,900	\$ -		
2064	1,575,794	88,806	1,486,988	263,469	263,469	\$ -		
2065	1,486,988	88,806	1,398,182	253,037	253,037	\$ -		
2066	1,398,182	88,806	1,309,376	242,606	242,606	\$ -		
2067	1,309,376	88,806	1,220,570	232,175	232,175	\$ -		
2068	1,220,570	88,806	1,131,765	221,744	221,744	\$ -		
2069	1,131,765	88,806	1,042,959	211,313	211,313	\$ -		
2070	1,042,959	88,806	954,153	200,881	200,881	\$ -		
2071	954,153	88,806	865,347	190,450	190,450	\$ -		
2072	865,347	88,806	776,541	180,019	180,019	\$ -		
2073	776,541	88,806	687,735	169,588	169,588	\$ -		
Project Totals		5,254,347		28,564,492	28,564,492	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1034.3 (Install a 345/138kV 450 MVA transformer at Canton Central)

Current Projected Year ARR	1,730,626
Current Projected Year ARR w/ Incentive	1,730,626
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	13,246,221		
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	197,968

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2014	13,246,221	-	13,246,221	1,555,911	1,555,911	\$ -	\$ 1,611,055	\$ 1,611,055
2015	13,246,221	197,968	13,048,253	1,304,253	1,730,626	\$ -		
2016	13,048,253	197,968	12,850,285	1,707,372	1,707,372	\$ -		
2017	12,850,285	197,968	12,652,317	1,684,119	1,684,119	\$ -		
2018	12,652,317	197,968	12,454,349	1,660,865	1,660,865	\$ -		
2019	12,454,349	197,968	12,256,381	1,637,612	1,637,612	\$ -		
2020	12,256,381	197,968	12,058,413	1,614,358	1,614,358	\$ -		
2021	12,058,413	197,968	11,860,445	1,591,105	1,591,105	\$ -		
2022	11,860,445	197,968	11,662,477	1,567,851	1,567,851	\$ -		
2023	11,662,477	197,968	11,464,509	1,544,598	1,544,598	\$ -		
2024	11,464,509	197,968	11,266,541	1,521,344	1,521,344	\$ -		
2025	11,266,541	197,968	11,068,573	1,498,091	1,498,091	\$ -		
2026	11,068,573	197,968	10,870,605	1,474,838	1,474,838	\$ -		
2027	10,870,605	197,968	10,672,637	1,451,584	1,451,584	\$ -		
2028	10,672,637	197,968	10,474,669	1,428,331	1,428,331	\$ -		
2029	10,474,669	197,968	10,276,701	1,405,077	1,405,077	\$ -		
2030	10,276,701	197,968	10,078,733	1,381,824	1,381,824	\$ -		
2031	10,078,733	197,968	9,880,765	1,358,570	1,358,570	\$ -		
2032	9,880,765	197,968	9,682,797	1,335,317	1,335,317	\$ -		
2033	9,682,797	197,968	9,484,829	1,312,063	1,312,063	\$ -		
2034	9,484,829	197,968	9,286,861	1,288,810	1,288,810	\$ -		
2035	9,286,861	197,968	9,088,893	1,265,556	1,265,556	\$ -		
2036	9,088,893	197,968	8,890,925	1,242,303	1,242,303	\$ -		
2037	8,890,925	197,968	8,692,957	1,219,049	1,219,049	\$ -		
2038	8,692,957	197,968	8,494,989	1,195,796	1,195,796	\$ -		
2039	8,494,989	197,968	8,297,021	1,172,542	1,172,542	\$ -		
2040	8,297,021	197,968	8,099,053	1,149,289	1,149,289	\$ -		
2041	8,099,053	197,968	7,901,085	1,126,035	1,126,035	\$ -		
2042	7,901,085	197,968	7,703,117	1,102,782	1,102,782	\$ -		
2043	7,703,117	197,968	7,505,149	1,079,529	1,079,529	\$ -		
2044	7,505,149	197,968	7,307,181	1,056,275	1,056,275	\$ -		
2045	7,307,181	197,968	7,109,213	1,033,022	1,033,022	\$ -		
2046	7,109,213	197,968	6,911,245	1,009,768	1,009,768	\$ -		
2047	6,911,245	197,968	6,713,277	986,515	986,515	\$ -		
2048	6,713,277	197,968	6,515,309	963,261	963,261	\$ -		
2049	6,515,309	197,968	6,317,341	940,008	940,008	\$ -		
2050	6,317,341	197,968	6,119,373	916,754	916,754	\$ -		
2051	6,119,373	197,968	5,921,405	893,501	893,501	\$ -		
2052	5,921,405	197,968	5,723,437	870,247	870,247	\$ -		
2053	5,723,437	197,968	5,525,469	846,994	846,994	\$ -		
2054	5,525,469	197,968	5,327,501	823,740	823,740	\$ -		
2055	5,327,501	197,968	5,129,533	800,487	800,487	\$ -		
2056	5,129,533	197,968	4,931,565	777,233	777,233	\$ -		
2057	4,931,565	197,968	4,733,597	753,980	753,980	\$ -		
2058	4,733,597	197,968	4,535,629	730,726	730,726	\$ -		
2059	4,535,629	197,968	4,337,661	707,473	707,473	\$ -		
2060	4,337,661	197,968	4,139,693	684,220	684,220	\$ -		
2061	4,139,693	197,968	3,941,725	660,966	660,966	\$ -		
2062	3,941,725	197,968	3,743,757	637,713	637,713	\$ -		
2063	3,743,757	197,968	3,545,789	614,459	614,459	\$ -		
2064	3,545,789	197,968	3,347,821	591,206	591,206	\$ -		
2065	3,347,821	197,968	3,149,853	567,952	567,952	\$ -		
2066	3,149,853	197,968	2,951,885	544,699	544,699	\$ -		
2067	2,951,885	197,968	2,753,917	521,445	521,445	\$ -		
2068	2,753,917	197,968	2,555,949	498,192	498,192	\$ -		
2069	2,555,949	197,968	2,357,981	474,938	474,938	\$ -		
2070	2,357,981	197,968	2,160,013	451,685	451,685	\$ -		
2071	2,160,013	197,968	1,962,045	428,431	428,431	\$ -		
2072	1,962,045	197,968	1,764,077	405,178	405,178	\$ -		
2073	1,764,077	197,968	1,566,109	381,924	381,924	\$ -		
Project Totals		11,680,112		63,876,140	63,876,140	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [redacted] (e.g. ER05-925-000)

Project Description: RTEP ID: b1970 (Reconductor 13 miles of Kammer-West Bellaire 345 KV line)

Current Projected Year ARR	1,736,229
Current Projected Year ARR w/ Incentive	1,736,229
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	13,289,109		
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	198,609

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2014	13,289,109	-	13,289,109	1,560,949	1,560,949	\$ -	\$ 1,502,768	\$ 1,502,768
2015	13,289,109	198,609	13,090,500	1,736,229	1,736,229	\$ -		
2016	13,090,500	198,609	12,891,891	1,712,900	1,712,900	\$ -		
2017	12,891,891	198,609	12,693,282	1,689,572	1,689,572	\$ -		
2018	12,693,282	198,609	12,494,673	1,666,243	1,666,243	\$ -		
2019	12,494,673	198,609	12,296,064	1,642,914	1,642,914	\$ -		
2020	12,296,064	198,609	12,097,455	1,619,585	1,619,585	\$ -		
2021	12,097,455	198,609	11,898,846	1,596,257	1,596,257	\$ -		
2022	11,898,846	198,609	11,700,237	1,572,928	1,572,928	\$ -		
2023	11,700,237	198,609	11,501,628	1,549,599	1,549,599	\$ -		
2024	11,501,628	198,609	11,303,019	1,526,270	1,526,270	\$ -		
2025	11,303,019	198,609	11,104,410	1,502,941	1,502,941	\$ -		
2026	11,104,410	198,609	10,905,801	1,479,613	1,479,613	\$ -		
2027	10,905,801	198,609	10,707,192	1,456,284	1,456,284	\$ -		
2028	10,707,192	198,609	10,508,583	1,432,955	1,432,955	\$ -		
2029	10,508,583	198,609	10,309,975	1,409,626	1,409,626	\$ -		
2030	10,309,975	198,609	10,111,366	1,386,298	1,386,298	\$ -		
2031	10,111,366	198,609	9,912,757	1,362,969	1,362,969	\$ -		
2032	9,912,757	198,609	9,714,148	1,339,640	1,339,640	\$ -		
2033	9,714,148	198,609	9,515,539	1,316,311	1,316,311	\$ -		
2034	9,515,539	198,609	9,316,930	1,292,983	1,292,983	\$ -		
2035	9,316,930	198,609	9,118,321	1,269,654	1,269,654	\$ -		
2036	9,118,321	198,609	8,919,712	1,246,325	1,246,325	\$ -		
2037	8,919,712	198,609	8,721,103	1,222,996	1,222,996	\$ -		
2038	8,721,103	198,609	8,522,494	1,199,668	1,199,668	\$ -		
2039	8,522,494	198,609	8,323,885	1,176,339	1,176,339	\$ -		
2040	8,323,885	198,609	8,125,276	1,153,010	1,153,010	\$ -		
2041	8,125,276	198,609	7,926,667	1,129,681	1,129,681	\$ -		
2042	7,926,667	198,609	7,728,058	1,106,353	1,106,353	\$ -		
2043	7,728,058	198,609	7,529,449	1,083,024	1,083,024	\$ -		
2044	7,529,449	198,609	7,330,840	1,059,695	1,059,695	\$ -		
2045	7,330,840	198,609	7,132,231	1,036,366	1,036,366	\$ -		
2046	7,132,231	198,609	6,933,622	1,013,038	1,013,038	\$ -		
2047	6,933,622	198,609	6,735,013	989,709	989,709	\$ -		
2048	6,735,013	198,609	6,536,404	966,380	966,380	\$ -		
2049	6,536,404	198,609	6,337,795	943,051	943,051	\$ -		
2050	6,337,795	198,609	6,139,186	919,722	919,722	\$ -		
2051	6,139,186	198,609	5,940,577	896,394	896,394	\$ -		
2052	5,940,577	198,609	5,741,968	873,065	873,065	\$ -		
2053	5,741,968	198,609	5,543,359	849,736	849,736	\$ -		
2054	5,543,359	198,609	5,344,750	826,407	826,407	\$ -		
2055	5,344,750	198,609	5,146,141	803,079	803,079	\$ -		
2056	5,146,141	198,609	4,947,532	779,750	779,750	\$ -		
2057	4,947,532	198,609	4,748,924	756,421	756,421	\$ -		
2058	4,748,924	198,609	4,550,315	733,092	733,092	\$ -		
2059	4,550,315	198,609	4,351,706	709,764	709,764	\$ -		
2060	4,351,706	198,609	4,153,097	686,435	686,435	\$ -		
2061	4,153,097	198,609	3,954,488	663,106	663,106	\$ -		
2062	3,954,488	198,609	3,755,879	639,777	639,777	\$ -		
2063	3,755,879	198,609	3,557,270	616,449	616,449	\$ -		
2064	3,557,270	198,609	3,358,661	593,120	593,120	\$ -		
2065	3,358,661	198,609	3,160,052	569,791	569,791	\$ -		
2066	3,160,052	198,609	2,961,443	546,462	546,462	\$ -		
2067	2,961,443	198,609	2,762,834	523,134	523,134	\$ -		
2068	2,762,834	198,609	2,564,225	499,805	499,805	\$ -		
2069	2,564,225	198,609	2,365,616	476,476	476,476	\$ -		
2070	2,365,616	198,609	2,167,007	453,147	453,147	\$ -		
2071	2,167,007	198,609	1,968,398	429,818	429,818	\$ -		
2072	1,968,398	198,609	1,769,789	406,490	406,490	\$ -		
2073	1,769,789	198,609	1,571,180	383,161	383,161	\$ -		
Project Totals		11,717,929		64,082,955	64,082,955	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b2018 (Loop Conesville-Bixby 345 kV circuit into Ohio Central)

Current Projected Year ARR	1,769,452
Current Projected Year ARR w/ Incentive	1,769,452
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	13,727,850		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	205,166

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2013	13,727,850	-	13,727,850	1,612,484	1,612,484	\$ -	\$ -	\$ -
2014	13,727,850	205,166	13,522,684	1,793,551	1,793,551	\$ -	\$ -	\$ -
2015	13,522,684	205,166	13,317,518	1,769,452	1,769,452	\$ -	\$ 294,473	\$ 294,473
2016	13,317,518	205,166	13,112,352	1,745,353	1,745,353	\$ -		
2017	13,112,352	205,166	12,907,186	1,721,254	1,721,254	\$ -		
2018	12,907,186	205,166	12,702,020	1,697,155	1,697,155	\$ -		
2019	12,702,020	205,166	12,496,854	1,673,056	1,673,056	\$ -		
2020	12,496,854	205,166	12,291,688	1,648,957	1,648,957	\$ -		
2021	12,291,688	205,166	12,086,522	1,624,858	1,624,858	\$ -		
2022	12,086,522	205,166	11,881,356	1,600,759	1,600,759	\$ -		
2023	11,881,356	205,166	11,676,189	1,576,660	1,576,660	\$ -		
2024	11,676,189	205,166	11,471,023	1,552,561	1,552,561	\$ -		
2025	11,471,023	205,166	11,265,857	1,528,462	1,528,462	\$ -		
2026	11,265,857	205,166	11,060,691	1,504,363	1,504,363	\$ -		
2027	11,060,691	205,166	10,855,525	1,480,264	1,480,264	\$ -		
2028	10,855,525	205,166	10,650,359	1,456,165	1,456,165	\$ -		
2029	10,650,359	205,166	10,445,193	1,432,066	1,432,066	\$ -		
2030	10,445,193	205,166	10,240,027	1,407,967	1,407,967	\$ -		
2031	10,240,027	205,166	10,034,861	1,383,868	1,383,868	\$ -		
2032	10,034,861	205,166	9,829,695	1,359,770	1,359,770	\$ -		
2033	9,829,695	205,166	9,624,529	1,335,671	1,335,671	\$ -		
2034	9,624,529	205,166	9,419,363	1,311,572	1,311,572	\$ -		
2035	9,419,363	205,166	9,214,197	1,287,473	1,287,473	\$ -		
2036	9,214,197	205,166	9,009,031	1,263,374	1,263,374	\$ -		
2037	9,009,031	205,166	8,803,865	1,239,275	1,239,275	\$ -		
2038	8,803,865	205,166	8,598,699	1,215,176	1,215,176	\$ -		
2039	8,598,699	205,166	8,393,533	1,191,077	1,191,077	\$ -		
2040	8,393,533	205,166	8,188,367	1,166,978	1,166,978	\$ -		
2041	8,188,367	205,166	7,983,200	1,142,879	1,142,879	\$ -		
2042	7,983,200	205,166	7,778,034	1,118,780	1,118,780	\$ -		
2043	7,778,034	205,166	7,572,868	1,094,681	1,094,681	\$ -		
2044	7,572,868	205,166	7,367,702	1,070,582	1,070,582	\$ -		
2045	7,367,702	205,166	7,162,536	1,046,483	1,046,483	\$ -		
2046	7,162,536	205,166	6,957,370	1,022,384	1,022,384	\$ -		
2047	6,957,370	205,166	6,752,204	998,285	998,285	\$ -		
2048	6,752,204	205,166	6,547,038	974,186	974,186	\$ -		
2049	6,547,038	205,166	6,341,872	950,087	950,087	\$ -		
2050	6,341,872	205,166	6,136,706	925,988	925,988	\$ -		
2051	6,136,706	205,166	5,931,540	901,889	901,889	\$ -		
2052	5,931,540	205,166	5,726,374	877,790	877,790	\$ -		
2053	5,726,374	205,166	5,521,208	853,691	853,691	\$ -		
2054	5,521,208	205,166	5,316,042	829,592	829,592	\$ -		
2055	5,316,042	205,166	5,110,876	805,493	805,493	\$ -		
2056	5,110,876	205,166	4,905,710	781,394	781,394	\$ -		
2057	4,905,710	205,166	4,700,544	757,295	757,295	\$ -		
2058	4,700,544	205,166	4,495,378	733,197	733,197	\$ -		
2059	4,495,378	205,166	4,290,211	709,098	709,098	\$ -		
2060	4,290,211	205,166	4,085,045	684,999	684,999	\$ -		
2061	4,085,045	205,166	3,879,879	660,900	660,900	\$ -		
2062	3,879,879	205,166	3,674,713	636,801	636,801	\$ -		
2063	3,674,713	205,166	3,469,547	612,702	612,702	\$ -		
2064	3,469,547	205,166	3,264,381	588,603	588,603	\$ -		
2065	3,264,381	205,166	3,059,215	564,504	564,504	\$ -		
2066	3,059,215	205,166	2,854,049	540,405	540,405	\$ -		
2067	2,854,049	205,166	2,648,883	516,306	516,306	\$ -		
2068	2,648,883	205,166	2,443,717	492,207	492,207	\$ -		
2069	2,443,717	205,166	2,238,551	468,108	468,108	\$ -		
2070	2,238,551	205,166	2,033,385	444,009	444,009	\$ -		
2071	2,033,385	205,166	1,828,219	419,910	419,910	\$ -		
2072	1,828,219	205,166	1,623,053	395,811	395,811	\$ -		
Project Totals		12,104,797		66,198,659	66,198,659	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	2,695,147
Current Projected Year ARR w/ Incentive	2,695,147
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b2021 (Add 345/138 kV Transformers at Sporn, Kanawha River, and Muskingum River stations)

Details		Current Year		2015	
Investment	20,628,671	ROE increase accepted by FERC (Basis Points)	-		
Service Year (yyyy)	2014	FCR w/o incentives, less depreciation	11.75%		
Service Month (1-12)	12	FCR w/incentives approved for these facilities, less dep.	11.75%		
Useful life	67	Annual Depreciation Expense	308,301		
CIAC (Yes or No)	No				

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2014	20,628,671	-	20,628,671	2,423,059	2,423,059	\$ -	\$ 2,052,447	\$ 2,052,447
2015	20,628,671	308,301	20,320,370	2,695,147	2,695,147	\$ -		
2016	20,320,370	308,301	20,012,070	2,658,933	2,658,933	\$ -		
2017	20,012,070	308,301	19,703,769	2,622,720	2,622,720	\$ -		
2018	19,703,769	308,301	19,395,469	2,586,507	2,586,507	\$ -		
2019	19,395,469	308,301	19,087,168	2,550,294	2,550,294	\$ -		
2020	19,087,168	308,301	18,778,868	2,514,081	2,514,081	\$ -		
2021	18,778,868	308,301	18,470,567	2,477,867	2,477,867	\$ -		
2022	18,470,567	308,301	18,162,267	2,441,654	2,441,654	\$ -		
2023	18,162,267	308,301	17,853,966	2,405,441	2,405,441	\$ -		
2024	17,853,966	308,301	17,545,666	2,369,228	2,369,228	\$ -		
2025	17,545,666	308,301	17,237,365	2,333,015	2,333,015	\$ -		
2026	17,237,365	308,301	16,929,065	2,296,801	2,296,801	\$ -		
2027	16,929,065	308,301	16,620,764	2,260,588	2,260,588	\$ -		
2028	16,620,764	308,301	16,312,464	2,224,375	2,224,375	\$ -		
2029	16,312,464	308,301	16,004,163	2,188,162	2,188,162	\$ -		
2030	16,004,163	308,301	15,695,863	2,151,949	2,151,949	\$ -		
2031	15,695,863	308,301	15,387,562	2,115,735	2,115,735	\$ -		
2032	15,387,562	308,301	15,079,262	2,079,522	2,079,522	\$ -		
2033	15,079,262	308,301	14,770,961	2,043,309	2,043,309	\$ -		
2034	14,770,961	308,301	14,462,661	2,007,096	2,007,096	\$ -		
2035	14,462,661	308,301	14,154,360	1,970,882	1,970,882	\$ -		
2036	14,154,360	308,301	13,846,060	1,934,669	1,934,669	\$ -		
2037	13,846,060	308,301	13,537,759	1,898,456	1,898,456	\$ -		
2038	13,537,759	308,301	13,229,459	1,862,243	1,862,243	\$ -		
2039	13,229,459	308,301	12,921,158	1,826,030	1,826,030	\$ -		
2040	12,921,158	308,301	12,612,858	1,789,816	1,789,816	\$ -		
2041	12,612,858	308,301	12,304,557	1,753,603	1,753,603	\$ -		
2042	12,304,557	308,301	11,996,257	1,717,390	1,717,390	\$ -		
2043	11,996,257	308,301	11,687,956	1,681,177	1,681,177	\$ -		
2044	11,687,956	308,301	11,379,656	1,644,964	1,644,964	\$ -		
2045	11,379,656	308,301	11,071,355	1,608,750	1,608,750	\$ -		
2046	11,071,355	308,301	10,763,055	1,572,537	1,572,537	\$ -		
2047	10,763,055	308,301	10,454,754	1,536,324	1,536,324	\$ -		
2048	10,454,754	308,301	10,146,454	1,500,111	1,500,111	\$ -		
2049	10,146,454	308,301	9,838,153	1,463,897	1,463,897	\$ -		
2050	9,838,153	308,301	9,529,853	1,427,684	1,427,684	\$ -		
2051	9,529,853	308,301	9,221,552	1,391,471	1,391,471	\$ -		
2052	9,221,552	308,301	8,913,252	1,355,258	1,355,258	\$ -		
2053	8,913,252	308,301	8,604,951	1,319,045	1,319,045	\$ -		
2054	8,604,951	308,301	8,296,651	1,282,831	1,282,831	\$ -		
2055	8,296,651	308,301	7,988,350	1,246,618	1,246,618	\$ -		
2056	7,988,350	308,301	7,680,050	1,210,405	1,210,405	\$ -		
2057	7,680,050	308,301	7,371,749	1,174,192	1,174,192	\$ -		
2058	7,371,749	308,301	7,063,449	1,137,979	1,137,979	\$ -		
2059	7,063,449	308,301	6,755,148	1,101,765	1,101,765	\$ -		
2060	6,755,148	308,301	6,446,848	1,065,552	1,065,552	\$ -		
2061	6,446,848	308,301	6,138,547	1,029,339	1,029,339	\$ -		
2062	6,138,547	308,301	5,830,247	993,126	993,126	\$ -		
2063	5,830,247	308,301	5,521,946	956,913	956,913	\$ -		
2064	5,521,946	308,301	5,213,646	920,699	920,699	\$ -		
2065	5,213,646	308,301	4,905,345	884,486	884,486	\$ -		
2066	4,905,345	308,301	4,597,045	848,273	848,273	\$ -		
2067	4,597,045	308,301	4,288,744	812,060	812,060	\$ -		
2068	4,288,744	308,301	3,980,444	775,846	775,846	\$ -		
2069	3,980,444	308,301	3,672,143	739,633	739,633	\$ -		
2070	3,672,143	308,301	3,363,843	703,420	703,420	\$ -		
2071	3,363,843	308,301	3,055,542	667,207	667,207	\$ -		
2072	3,055,542	308,301	2,747,242	630,994	630,994	\$ -		
2073	2,747,242	308,301	2,438,941	594,780	594,780	\$ -		
Project Totals		18,189,730		99,475,909	99,475,909	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b2032 (Rebuild 138 kV Elliott Tap-Poston line)

Current Projected Year ARR	492,192
Current Projected Year ARR w/ Incentive	492,192
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	3,779,936		
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	9	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	56,492

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2014	3,779,936	14,123	3,765,813	456,458	456,458	\$ -	\$ 2,808,368	\$ 2,808,368
2015	3,765,813	56,492	3,709,321	492,192	492,192	\$ -		
2016	3,709,321	56,492	3,652,829	485,556	485,556	\$ -		
2017	3,652,829	56,492	3,596,337	478,921	478,921	\$ -		
2018	3,596,337	56,492	3,539,845	472,285	472,285	\$ -		
2019	3,539,845	56,492	3,483,353	465,649	465,649	\$ -		
2020	3,483,353	56,492	3,426,861	459,014	459,014	\$ -		
2021	3,426,861	56,492	3,370,369	452,378	452,378	\$ -		
2022	3,370,369	56,492	3,313,876	445,743	445,743	\$ -		
2023	3,313,876	56,492	3,257,384	439,107	439,107	\$ -		
2024	3,257,384	56,492	3,200,892	432,471	432,471	\$ -		
2025	3,200,892	56,492	3,144,400	425,836	425,836	\$ -		
2026	3,144,400	56,492	3,087,908	419,200	419,200	\$ -		
2027	3,087,908	56,492	3,031,416	412,565	412,565	\$ -		
2028	3,031,416	56,492	2,974,924	405,929	405,929	\$ -		
2029	2,974,924	56,492	2,918,432	399,293	399,293	\$ -		
2030	2,918,432	56,492	2,861,940	392,658	392,658	\$ -		
2031	2,861,940	56,492	2,805,448	386,022	386,022	\$ -		
2032	2,805,448	56,492	2,748,956	379,387	379,387	\$ -		
2033	2,748,956	56,492	2,692,464	372,751	372,751	\$ -		
2034	2,692,464	56,492	2,635,972	366,115	366,115	\$ -		
2035	2,635,972	56,492	2,579,480	359,480	359,480	\$ -		
2036	2,579,480	56,492	2,522,988	352,844	352,844	\$ -		
2037	2,522,988	56,492	2,466,496	346,209	346,209	\$ -		
2038	2,466,496	56,492	2,410,003	339,573	339,573	\$ -		
2039	2,410,003	56,492	2,353,511	332,937	332,937	\$ -		
2040	2,353,511	56,492	2,297,019	326,302	326,302	\$ -		
2041	2,297,019	56,492	2,240,527	319,666	319,666	\$ -		
2042	2,240,527	56,492	2,184,035	313,031	313,031	\$ -		
2043	2,184,035	56,492	2,127,543	306,395	306,395	\$ -		
2044	2,127,543	56,492	2,071,051	299,759	299,759	\$ -		
2045	2,071,051	56,492	2,014,559	293,124	293,124	\$ -		
2046	2,014,559	56,492	1,958,067	286,488	286,488	\$ -		
2047	1,958,067	56,492	1,901,575	279,853	279,853	\$ -		
2048	1,901,575	56,492	1,845,083	273,217	273,217	\$ -		
2049	1,845,083	56,492	1,788,591	266,581	266,581	\$ -		
2050	1,788,591	56,492	1,732,099	259,946	259,946	\$ -		
2051	1,732,099	56,492	1,675,607	253,310	253,310	\$ -		
2052	1,675,607	56,492	1,619,115	246,674	246,674	\$ -		
2053	1,619,115	56,492	1,562,623	240,039	240,039	\$ -		
2054	1,562,623	56,492	1,506,130	233,403	233,403	\$ -		
2055	1,506,130	56,492	1,449,638	226,768	226,768	\$ -		
2056	1,449,638	56,492	1,393,146	220,132	220,132	\$ -		
2057	1,393,146	56,492	1,336,654	213,496	213,496	\$ -		
2058	1,336,654	56,492	1,280,162	206,861	206,861	\$ -		
2059	1,280,162	56,492	1,223,670	200,225	200,225	\$ -		
2060	1,223,670	56,492	1,167,178	193,590	193,590	\$ -		
2061	1,167,178	56,492	1,110,686	186,954	186,954	\$ -		
2062	1,110,686	56,492	1,054,194	180,318	180,318	\$ -		
2063	1,054,194	56,492	997,702	173,683	173,683	\$ -		
2064	997,702	56,492	941,210	167,047	167,047	\$ -		
2065	941,210	56,492	884,718	160,412	160,412	\$ -		
2066	884,718	56,492	828,226	153,776	153,776	\$ -		
2067	828,226	56,492	771,734	147,140	147,140	\$ -		
2068	771,734	56,492	715,242	140,505	140,505	\$ -		
2069	715,242	56,492	658,750	133,869	133,869	\$ -		
2070	658,750	56,492	602,257	127,234	127,234	\$ -		
2071	602,257	56,492	545,765	120,598	120,598	\$ -		
2072	545,765	56,492	489,273	113,962	113,962	\$ -		
2073	489,273	56,492	432,781	107,327	107,327	\$ -		
Project Totals		3,347,155		18,142,257	18,142,257	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	3,457,342
Current Projected Year ARR w/ Incentive	3,457,342
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1032.1 (Construct a new 345/138kV station on the Marquis-Bixby 345kV line near the intersection with Ross - Highland 69kV)

Details		Current Year	
Investment	27,869,284		2015
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	416,513

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	27,869,284	208,257	27,661,027	3,457,342	3,457,342	\$ -		
2016	27,661,027	416,513	27,244,514	3,616,675	3,616,675	\$ -		
2017	27,244,514	416,513	26,828,001	3,567,751	3,567,751	\$ -		
2018	26,828,001	416,513	26,411,488	3,518,827	3,518,827	\$ -		
2019	26,411,488	416,513	25,994,974	3,469,903	3,469,903	\$ -		
2020	25,994,974	416,513	25,578,461	3,420,979	3,420,979	\$ -		
2021	25,578,461	416,513	25,161,948	3,372,055	3,372,055	\$ -		
2022	25,161,948	416,513	24,745,435	3,323,131	3,323,131	\$ -		
2023	24,745,435	416,513	24,328,922	3,274,207	3,274,207	\$ -		
2024	24,328,922	416,513	23,912,408	3,225,283	3,225,283	\$ -		
2025	23,912,408	416,513	23,495,895	3,176,359	3,176,359	\$ -		
2026	23,495,895	416,513	23,079,382	3,127,435	3,127,435	\$ -		
2027	23,079,382	416,513	22,662,869	3,078,511	3,078,511	\$ -		
2028	22,662,869	416,513	22,246,355	3,029,587	3,029,587	\$ -		
2029	22,246,355	416,513	21,829,842	2,980,663	2,980,663	\$ -		
2030	21,829,842	416,513	21,413,329	2,931,739	2,931,739	\$ -		
2031	21,413,329	416,513	20,996,816	2,882,815	2,882,815	\$ -		
2032	20,996,816	416,513	20,580,303	2,833,891	2,833,891	\$ -		
2033	20,580,303	416,513	20,163,789	2,784,967	2,784,967	\$ -		
2034	20,163,789	416,513	19,747,276	2,736,043	2,736,043	\$ -		
2035	19,747,276	416,513	19,330,763	2,687,119	2,687,119	\$ -		
2036	19,330,763	416,513	18,914,250	2,638,195	2,638,195	\$ -		
2037	18,914,250	416,513	18,497,736	2,589,271	2,589,271	\$ -		
2038	18,497,736	416,513	18,081,223	2,540,347	2,540,347	\$ -		
2039	18,081,223	416,513	17,664,710	2,491,424	2,491,424	\$ -		
2040	17,664,710	416,513	17,248,197	2,442,500	2,442,500	\$ -		
2041	17,248,197	416,513	16,831,684	2,393,576	2,393,576	\$ -		
2042	16,831,684	416,513	16,415,170	2,344,652	2,344,652	\$ -		
2043	16,415,170	416,513	15,998,657	2,295,728	2,295,728	\$ -		
2044	15,998,657	416,513	15,582,144	2,246,804	2,246,804	\$ -		
2045	15,582,144	416,513	15,165,631	2,197,880	2,197,880	\$ -		
2046	15,165,631	416,513	14,749,117	2,148,956	2,148,956	\$ -		
2047	14,749,117	416,513	14,332,604	2,100,032	2,100,032	\$ -		
2048	14,332,604	416,513	13,916,091	2,051,108	2,051,108	\$ -		
2049	13,916,091	416,513	13,499,578	2,002,184	2,002,184	\$ -		
2050	13,499,578	416,513	13,083,065	1,953,260	1,953,260	\$ -		
2051	13,083,065	416,513	12,666,551	1,904,336	1,904,336	\$ -		
2052	12,666,551	416,513	12,250,038	1,855,412	1,855,412	\$ -		
2053	12,250,038	416,513	11,833,525	1,806,488	1,806,488	\$ -		
2054	11,833,525	416,513	11,417,012	1,757,564	1,757,564	\$ -		
2055	11,417,012	416,513	11,000,498	1,708,640	1,708,640	\$ -		
2056	11,000,498	416,513	10,583,985	1,659,716	1,659,716	\$ -		
2057	10,583,985	416,513	10,167,472	1,610,792	1,610,792	\$ -		
2058	10,167,472	416,513	9,750,959	1,561,868	1,561,868	\$ -		
2059	9,750,959	416,513	9,334,446	1,512,944	1,512,944	\$ -		
2060	9,334,446	416,513	8,917,932	1,464,020	1,464,020	\$ -		
2061	8,917,932	416,513	8,501,419	1,415,096	1,415,096	\$ -		
2062	8,501,419	416,513	8,084,906	1,366,172	1,366,172	\$ -		
2063	8,084,906	416,513	7,668,393	1,317,248	1,317,248	\$ -		
2064	7,668,393	416,513	7,251,879	1,268,325	1,268,325	\$ -		
2065	7,251,879	416,513	6,835,366	1,219,401	1,219,401	\$ -		
2066	6,835,366	416,513	6,418,853	1,170,477	1,170,477	\$ -		
2067	6,418,853	416,513	6,002,340	1,121,553	1,121,553	\$ -		
2068	6,002,340	416,513	5,585,826	1,072,629	1,072,629	\$ -		
2069	5,585,826	416,513	5,169,313	1,023,705	1,023,705	\$ -		
2070	5,169,313	416,513	4,752,800	974,781	974,781	\$ -		
2071	4,752,800	416,513	4,336,287	925,857	925,857	\$ -		
2072	4,336,287	416,513	3,919,774	876,933	876,933	\$ -		
2073	3,919,774	416,513	3,503,260	828,009	828,009	\$ -		
2074	3,503,260	416,513	3,086,747	779,085	779,085	\$ -		
Project Totals		24,782,537		133,132,247	133,132,247	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1032.4 (Install 138/69KV transformer at new station and connect in the Ross - Highland 69KV line)

Current Projected Year ARR	643,594
Current Projected Year ARR w/ Incentive	643,594
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	5,187,946		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	77,535

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	5,187,946	38,768	5,149,178	643,594	643,594	\$ -		
2016	5,149,178	77,535	5,071,643	673,254	673,254	\$ -		
2017	5,071,643	77,535	4,994,108	664,147	664,147	\$ -		
2018	4,994,108	77,535	4,916,573	655,040	655,040	\$ -		
2019	4,916,573	77,535	4,839,038	645,932	645,932	\$ -		
2020	4,839,038	77,535	4,761,503	636,825	636,825	\$ -		
2021	4,761,503	77,535	4,683,968	627,718	627,718	\$ -		
2022	4,683,968	77,535	4,606,433	618,610	618,610	\$ -		
2023	4,606,433	77,535	4,528,898	609,503	609,503	\$ -		
2024	4,528,898	77,535	4,451,362	600,396	600,396	\$ -		
2025	4,451,362	77,535	4,373,827	591,288	591,288	\$ -		
2026	4,373,827	77,535	4,296,292	582,181	582,181	\$ -		
2027	4,296,292	77,535	4,218,757	573,074	573,074	\$ -		
2028	4,218,757	77,535	4,141,222	563,966	563,966	\$ -		
2029	4,141,222	77,535	4,063,687	554,859	554,859	\$ -		
2030	4,063,687	77,535	3,986,152	545,752	545,752	\$ -		
2031	3,986,152	77,535	3,908,617	536,644	536,644	\$ -		
2032	3,908,617	77,535	3,831,082	527,537	527,537	\$ -		
2033	3,831,082	77,535	3,753,546	518,430	518,430	\$ -		
2034	3,753,546	77,535	3,676,011	509,322	509,322	\$ -		
2035	3,676,011	77,535	3,598,476	500,215	500,215	\$ -		
2036	3,598,476	77,535	3,520,941	491,108	491,108	\$ -		
2037	3,520,941	77,535	3,443,406	482,000	482,000	\$ -		
2038	3,443,406	77,535	3,365,871	472,893	472,893	\$ -		
2039	3,365,871	77,535	3,288,336	463,786	463,786	\$ -		
2040	3,288,336	77,535	3,210,801	454,678	454,678	\$ -		
2041	3,210,801	77,535	3,133,265	445,571	445,571	\$ -		
2042	3,133,265	77,535	3,055,730	436,464	436,464	\$ -		
2043	3,055,730	77,535	2,978,195	427,356	427,356	\$ -		
2044	2,978,195	77,535	2,900,660	418,249	418,249	\$ -		
2045	2,900,660	77,535	2,823,125	409,142	409,142	\$ -		
2046	2,823,125	77,535	2,745,590	400,034	400,034	\$ -		
2047	2,745,590	77,535	2,668,055	390,927	390,927	\$ -		
2048	2,668,055	77,535	2,590,520	381,820	381,820	\$ -		
2049	2,590,520	77,535	2,512,985	372,712	372,712	\$ -		
2050	2,512,985	77,535	2,435,449	363,605	363,605	\$ -		
2051	2,435,449	77,535	2,357,914	354,498	354,498	\$ -		
2052	2,357,914	77,535	2,280,379	345,390	345,390	\$ -		
2053	2,280,379	77,535	2,202,844	336,283	336,283	\$ -		
2054	2,202,844	77,535	2,125,309	327,176	327,176	\$ -		
2055	2,125,309	77,535	2,047,774	318,068	318,068	\$ -		
2056	2,047,774	77,535	1,970,239	308,961	308,961	\$ -		
2057	1,970,239	77,535	1,892,704	299,854	299,854	\$ -		
2058	1,892,704	77,535	1,815,169	290,746	290,746	\$ -		
2059	1,815,169	77,535	1,737,633	281,639	281,639	\$ -		
2060	1,737,633	77,535	1,660,098	272,532	272,532	\$ -		
2061	1,660,098	77,535	1,582,563	263,424	263,424	\$ -		
2062	1,582,563	77,535	1,505,028	254,317	254,317	\$ -		
2063	1,505,028	77,535	1,427,493	245,210	245,210	\$ -		
2064	1,427,493	77,535	1,349,958	236,102	236,102	\$ -		
2065	1,349,958	77,535	1,272,423	226,995	226,995	\$ -		
2066	1,272,423	77,535	1,194,888	217,888	217,888	\$ -		
2067	1,194,888	77,535	1,117,353	208,780	208,780	\$ -		
2068	1,117,353	77,535	1,039,817	199,673	199,673	\$ -		
2069	1,039,817	77,535	962,282	190,566	190,566	\$ -		
2070	962,282	77,535	884,747	181,458	181,458	\$ -		
2071	884,747	77,535	807,212	172,351	172,351	\$ -		
2072	807,212	77,535	729,677	163,244	163,244	\$ -		
2073	729,677	77,535	652,142	154,136	154,136	\$ -		
2074	652,142	77,535	574,607	145,029	145,029	\$ -		
Project Totals		4,613,339		24,782,944	24,782,944	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1666 (Build an 8 breaker 138 KV station tapping both circuits of the Fostoria-East Lima 138 KV line)

Current Projected Year ARR	1,528,116
Current Projected Year ARR w/ Incentive	1,528,116
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	13,009,591		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	194,432

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	13,009,591	-	13,009,591	1,528,116	1,528,116	\$ -		
2016	13,009,591	194,432	12,815,159	1,699,710	1,699,710	\$ -		
2017	12,815,159	194,432	12,620,728	1,676,872	1,676,872	\$ -		
2018	12,620,728	194,432	12,426,296	1,654,034	1,654,034	\$ -		
2019	12,426,296	194,432	12,231,865	1,631,196	1,631,196	\$ -		
2020	12,231,865	194,432	12,037,433	1,608,358	1,608,358	\$ -		
2021	12,037,433	194,432	11,843,002	1,585,520	1,585,520	\$ -		
2022	11,843,002	194,432	11,648,570	1,562,681	1,562,681	\$ -		
2023	11,648,570	194,432	11,454,139	1,539,843	1,539,843	\$ -		
2024	11,454,139	194,432	11,259,707	1,517,005	1,517,005	\$ -		
2025	11,259,707	194,432	11,065,276	1,494,167	1,494,167	\$ -		
2026	11,065,276	194,432	10,870,844	1,471,329	1,471,329	\$ -		
2027	10,870,844	194,432	10,676,413	1,448,491	1,448,491	\$ -		
2028	10,676,413	194,432	10,481,981	1,425,653	1,425,653	\$ -		
2029	10,481,981	194,432	10,287,550	1,402,815	1,402,815	\$ -		
2030	10,287,550	194,432	10,093,118	1,379,977	1,379,977	\$ -		
2031	10,093,118	194,432	9,898,687	1,357,139	1,357,139	\$ -		
2032	9,898,687	194,432	9,704,255	1,334,301	1,334,301	\$ -		
2033	9,704,255	194,432	9,509,824	1,311,463	1,311,463	\$ -		
2034	9,509,824	194,432	9,315,392	1,288,625	1,288,625	\$ -		
2035	9,315,392	194,432	9,120,961	1,265,787	1,265,787	\$ -		
2036	9,120,961	194,432	8,926,529	1,242,948	1,242,948	\$ -		
2037	8,926,529	194,432	8,732,098	1,220,110	1,220,110	\$ -		
2038	8,732,098	194,432	8,537,666	1,197,272	1,197,272	\$ -		
2039	8,537,666	194,432	8,343,235	1,174,434	1,174,434	\$ -		
2040	8,343,235	194,432	8,148,803	1,151,596	1,151,596	\$ -		
2041	8,148,803	194,432	7,954,372	1,128,758	1,128,758	\$ -		
2042	7,954,372	194,432	7,759,940	1,105,920	1,105,920	\$ -		
2043	7,759,940	194,432	7,565,509	1,083,082	1,083,082	\$ -		
2044	7,565,509	194,432	7,371,077	1,060,244	1,060,244	\$ -		
2045	7,371,077	194,432	7,176,646	1,037,406	1,037,406	\$ -		
2046	7,176,646	194,432	6,982,214	1,014,568	1,014,568	\$ -		
2047	6,982,214	194,432	6,787,783	991,730	991,730	\$ -		
2048	6,787,783	194,432	6,593,351	968,892	968,892	\$ -		
2049	6,593,351	194,432	6,398,920	946,054	946,054	\$ -		
2050	6,398,920	194,432	6,204,488	923,215	923,215	\$ -		
2051	6,204,488	194,432	6,010,057	900,377	900,377	\$ -		
2052	6,010,057	194,432	5,815,625	877,539	877,539	\$ -		
2053	5,815,625	194,432	5,621,194	854,701	854,701	\$ -		
2054	5,621,194	194,432	5,426,762	831,863	831,863	\$ -		
2055	5,426,762	194,432	5,232,331	809,025	809,025	\$ -		
2056	5,232,331	194,432	5,037,899	786,187	786,187	\$ -		
2057	5,037,899	194,432	4,843,468	763,349	763,349	\$ -		
2058	4,843,468	194,432	4,649,036	740,511	740,511	\$ -		
2059	4,649,036	194,432	4,454,605	717,673	717,673	\$ -		
2060	4,454,605	194,432	4,260,173	694,835	694,835	\$ -		
2061	4,260,173	194,432	4,065,742	671,997	671,997	\$ -		
2062	4,065,742	194,432	3,871,310	649,159	649,159	\$ -		
2063	3,871,310	194,432	3,676,879	626,321	626,321	\$ -		
2064	3,676,879	194,432	3,482,447	603,482	603,482	\$ -		
2065	3,482,447	194,432	3,288,016	580,644	580,644	\$ -		
2066	3,288,016	194,432	3,093,584	557,806	557,806	\$ -		
2067	3,093,584	194,432	2,899,153	534,968	534,968	\$ -		
2068	2,899,153	194,432	2,704,721	512,130	512,130	\$ -		
2069	2,704,721	194,432	2,510,290	489,292	489,292	\$ -		
2070	2,510,290	194,432	2,315,858	466,454	466,454	\$ -		
2071	2,315,858	194,432	2,121,427	443,616	443,616	\$ -		
2072	2,121,427	194,432	1,926,995	420,778	420,778	\$ -		
2073	1,926,995	194,432	1,732,564	397,940	397,940	\$ -		
2074	1,732,564	194,432	1,538,132	375,102	375,102	\$ -		
Project Totals		11,471,459		62,735,059	62,735,059	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	4,010,942
Current Projected Year ARR w/ Incentive	4,010,942
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1819 (Rebuild the Robinson Park-Sorneson 138 kV line corridor as a 345 kV double circuit line with one side operated at 345 kV and one side at 138 kV)

Details		Current Year	2015
Investment	34,147,081		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	510,336

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	34,147,081	-	34,147,081	4,010,942	4,010,942	\$ -		
2016	34,147,081	510,336	33,636,745	4,461,334	4,461,334	\$ -		
2017	33,636,745	510,336	33,126,408	4,401,390	4,401,390	\$ -		
2018	33,126,408	510,336	32,616,072	4,341,445	4,341,445	\$ -		
2019	32,616,072	510,336	32,105,735	4,281,501	4,281,501	\$ -		
2020	32,105,735	510,336	31,595,399	4,221,556	4,221,556	\$ -		
2021	31,595,399	510,336	31,085,062	4,161,612	4,161,612	\$ -		
2022	31,085,062	510,336	30,574,726	4,101,667	4,101,667	\$ -		
2023	30,574,726	510,336	30,064,390	4,041,723	4,041,723	\$ -		
2024	30,064,390	510,336	29,554,053	3,981,778	3,981,778	\$ -		
2025	29,554,053	510,336	29,043,717	3,921,834	3,921,834	\$ -		
2026	29,043,717	510,336	28,533,380	3,861,889	3,861,889	\$ -		
2027	28,533,380	510,336	28,023,044	3,801,945	3,801,945	\$ -		
2028	28,023,044	510,336	27,512,707	3,742,000	3,742,000	\$ -		
2029	27,512,707	510,336	27,002,371	3,682,055	3,682,055	\$ -		
2030	27,002,371	510,336	26,492,035	3,622,111	3,622,111	\$ -		
2031	26,492,035	510,336	25,981,698	3,562,166	3,562,166	\$ -		
2032	25,981,698	510,336	25,471,362	3,502,222	3,502,222	\$ -		
2033	25,471,362	510,336	24,961,025	3,442,277	3,442,277	\$ -		
2034	24,961,025	510,336	24,450,689	3,382,333	3,382,333	\$ -		
2035	24,450,689	510,336	23,940,352	3,322,388	3,322,388	\$ -		
2036	23,940,352	510,336	23,430,016	3,262,444	3,262,444	\$ -		
2037	23,430,016	510,336	22,919,680	3,202,499	3,202,499	\$ -		
2038	22,919,680	510,336	22,409,343	3,142,555	3,142,555	\$ -		
2039	22,409,343	510,336	21,899,007	3,082,610	3,082,610	\$ -		
2040	21,899,007	510,336	21,388,670	3,022,666	3,022,666	\$ -		
2041	21,388,670	510,336	20,878,334	2,962,721	2,962,721	\$ -		
2042	20,878,334	510,336	20,367,997	2,902,777	2,902,777	\$ -		
2043	20,367,997	510,336	19,857,661	2,842,832	2,842,832	\$ -		
2044	19,857,661	510,336	19,347,325	2,782,888	2,782,888	\$ -		
2045	19,347,325	510,336	18,836,988	2,722,943	2,722,943	\$ -		
2046	18,836,988	510,336	18,326,652	2,662,999	2,662,999	\$ -		
2047	18,326,652	510,336	17,816,315	2,603,054	2,603,054	\$ -		
2048	17,816,315	510,336	17,305,979	2,543,110	2,543,110	\$ -		
2049	17,305,979	510,336	16,795,642	2,483,165	2,483,165	\$ -		
2050	16,795,642	510,336	16,285,306	2,423,221	2,423,221	\$ -		
2051	16,285,306	510,336	15,774,970	2,363,276	2,363,276	\$ -		
2052	15,774,970	510,336	15,264,633	2,303,332	2,303,332	\$ -		
2053	15,264,633	510,336	14,754,297	2,243,387	2,243,387	\$ -		
2054	14,754,297	510,336	14,243,960	2,183,443	2,183,443	\$ -		
2055	14,243,960	510,336	13,733,624	2,123,498	2,123,498	\$ -		
2056	13,733,624	510,336	13,223,288	2,063,554	2,063,554	\$ -		
2057	13,223,288	510,336	12,712,951	2,003,609	2,003,609	\$ -		
2058	12,712,951	510,336	12,202,615	1,943,665	1,943,665	\$ -		
2059	12,202,615	510,336	11,692,278	1,883,720	1,883,720	\$ -		
2060	11,692,278	510,336	11,181,942	1,823,776	1,823,776	\$ -		
2061	11,181,942	510,336	10,671,605	1,763,831	1,763,831	\$ -		
2062	10,671,605	510,336	10,161,269	1,703,887	1,703,887	\$ -		
2063	10,161,269	510,336	9,650,933	1,643,942	1,643,942	\$ -		
2064	9,650,933	510,336	9,140,596	1,583,998	1,583,998	\$ -		
2065	9,140,596	510,336	8,630,260	1,524,053	1,524,053	\$ -		
2066	8,630,260	510,336	8,119,923	1,464,109	1,464,109	\$ -		
2067	8,119,923	510,336	7,609,587	1,404,164	1,404,164	\$ -		
2068	7,609,587	510,336	7,099,250	1,344,220	1,344,220	\$ -		
2069	7,099,250	510,336	6,588,914	1,284,275	1,284,275	\$ -		
2070	6,588,914	510,336	6,078,578	1,224,331	1,224,331	\$ -		
2071	6,078,578	510,336	5,568,241	1,164,386	1,164,386	\$ -		
2072	5,568,241	510,336	5,057,905	1,104,442	1,104,442	\$ -		
2073	5,057,905	510,336	4,547,568	1,044,497	1,044,497	\$ -		
2074	4,547,568	510,336	4,037,232	984,553	984,553	\$ -		
Project Totals		30,109,849		164,664,603	164,664,603	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [redacted] (e.g. ER05-925-000)

Current Projected Year ARR	714,472
Current Projected Year ARR w/ Incentive	714,472
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1957 (Terminate Transformer #2 at SW Lima in new bay position)

Details		Current Year	2015
Investment	6,082,642		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	90,907

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	6,082,642	-	6,082,642	714,472	714,472	\$ -		
2016	6,082,642	90,907	5,991,735	794,700	794,700	\$ -		
2017	5,991,735	90,907	5,900,829	784,022	784,022	\$ -		
2018	5,900,829	90,907	5,809,922	773,344	773,344	\$ -		
2019	5,809,922	90,907	5,719,016	762,667	762,667	\$ -		
2020	5,719,016	90,907	5,628,109	751,989	751,989	\$ -		
2021	5,628,109	90,907	5,537,203	741,311	741,311	\$ -		
2022	5,537,203	90,907	5,446,296	730,633	730,633	\$ -		
2023	5,446,296	90,907	5,355,389	719,955	719,955	\$ -		
2024	5,355,389	90,907	5,264,483	709,277	709,277	\$ -		
2025	5,264,483	90,907	5,173,576	698,599	698,599	\$ -		
2026	5,173,576	90,907	5,082,670	687,921	687,921	\$ -		
2027	5,082,670	90,907	4,991,763	677,243	677,243	\$ -		
2028	4,991,763	90,907	4,900,857	666,565	666,565	\$ -		
2029	4,900,857	90,907	4,809,950	655,887	655,887	\$ -		
2030	4,809,950	90,907	4,719,044	645,209	645,209	\$ -		
2031	4,719,044	90,907	4,628,137	634,531	634,531	\$ -		
2032	4,628,137	90,907	4,537,230	623,853	623,853	\$ -		
2033	4,537,230	90,907	4,446,324	613,175	613,175	\$ -		
2034	4,446,324	90,907	4,355,417	602,497	602,497	\$ -		
2035	4,355,417	90,907	4,264,511	591,819	591,819	\$ -		
2036	4,264,511	90,907	4,173,604	581,141	581,141	\$ -		
2037	4,173,604	90,907	4,082,698	570,463	570,463	\$ -		
2038	4,082,698	90,907	3,991,791	559,785	559,785	\$ -		
2039	3,991,791	90,907	3,900,884	549,107	549,107	\$ -		
2040	3,900,884	90,907	3,809,978	538,429	538,429	\$ -		
2041	3,809,978	90,907	3,719,071	527,752	527,752	\$ -		
2042	3,719,071	90,907	3,628,165	517,074	517,074	\$ -		
2043	3,628,165	90,907	3,537,258	506,396	506,396	\$ -		
2044	3,537,258	90,907	3,446,352	495,718	495,718	\$ -		
2045	3,446,352	90,907	3,355,445	485,040	485,040	\$ -		
2046	3,355,445	90,907	3,264,539	474,362	474,362	\$ -		
2047	3,264,539	90,907	3,173,632	463,684	463,684	\$ -		
2048	3,173,632	90,907	3,082,725	453,006	453,006	\$ -		
2049	3,082,725	90,907	2,991,819	442,328	442,328	\$ -		
2050	2,991,819	90,907	2,900,912	431,650	431,650	\$ -		
2051	2,900,912	90,907	2,810,006	420,972	420,972	\$ -		
2052	2,810,006	90,907	2,719,099	410,294	410,294	\$ -		
2053	2,719,099	90,907	2,628,193	399,616	399,616	\$ -		
2054	2,628,193	90,907	2,537,286	388,938	388,938	\$ -		
2055	2,537,286	90,907	2,446,379	378,260	378,260	\$ -		
2056	2,446,379	90,907	2,355,473	367,582	367,582	\$ -		
2057	2,355,473	90,907	2,264,566	356,904	356,904	\$ -		
2058	2,264,566	90,907	2,173,660	346,226	346,226	\$ -		
2059	2,173,660	90,907	2,082,753	335,548	335,548	\$ -		
2060	2,082,753	90,907	1,991,847	324,870	324,870	\$ -		
2061	1,991,847	90,907	1,900,940	314,192	314,192	\$ -		
2062	1,900,940	90,907	1,810,034	303,514	303,514	\$ -		
2063	1,810,034	90,907	1,719,127	292,837	292,837	\$ -		
2064	1,719,127	90,907	1,628,220	282,159	282,159	\$ -		
2065	1,628,220	90,907	1,537,314	271,481	271,481	\$ -		
2066	1,537,314	90,907	1,446,407	260,803	260,803	\$ -		
2067	1,446,407	90,907	1,355,501	250,125	250,125	\$ -		
2068	1,355,501	90,907	1,264,594	239,447	239,447	\$ -		
2069	1,264,594	90,907	1,173,688	228,769	228,769	\$ -		
2070	1,173,688	90,907	1,082,781	218,091	218,091	\$ -		
2071	1,082,781	90,907	991,874	207,413	207,413	\$ -		
2072	991,874	90,907	900,968	196,735	196,735	\$ -		
2073	900,968	90,907	810,061	186,057	186,057	\$ -		
2074	810,061	90,907	719,155	175,379	175,379	\$ -		
Project Totals		5,363,487		29,331,814	29,331,814	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	6,416,043
Current Projected Year ARR w/ Incentive	6,416,043
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b2019 (Establish Burger 345/138 kV station)

Details		Current Year	2015
Investment	54,622,863		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	816,352

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	54,622,863	-	54,622,863	6,416,043	6,416,043	\$ -		
2016	54,622,863	816,352	53,806,511	7,136,506	7,136,506	\$ -		
2017	53,806,511	816,352	52,990,159	7,040,616	7,040,616	\$ -		
2018	52,990,159	816,352	52,173,807	6,944,727	6,944,727	\$ -		
2019	52,173,807	816,352	51,357,455	6,848,838	6,848,838	\$ -		
2020	51,357,455	816,352	50,541,103	6,752,948	6,752,948	\$ -		
2021	50,541,103	816,352	49,724,751	6,657,059	6,657,059	\$ -		
2022	49,724,751	816,352	48,908,399	6,561,170	6,561,170	\$ -		
2023	48,908,399	816,352	48,092,047	6,465,280	6,465,280	\$ -		
2024	48,092,047	816,352	47,275,695	6,369,391	6,369,391	\$ -		
2025	47,275,695	816,352	46,459,343	6,273,502	6,273,502	\$ -		
2026	46,459,343	816,352	45,642,991	6,177,612	6,177,612	\$ -		
2027	45,642,991	816,352	44,826,639	6,081,723	6,081,723	\$ -		
2028	44,826,639	816,352	44,010,287	5,985,834	5,985,834	\$ -		
2029	44,010,287	816,352	43,193,935	5,889,945	5,889,945	\$ -		
2030	43,193,935	816,352	42,377,584	5,794,055	5,794,055	\$ -		
2031	42,377,584	816,352	41,561,232	5,698,166	5,698,166	\$ -		
2032	41,561,232	816,352	40,744,880	5,602,277	5,602,277	\$ -		
2033	40,744,880	816,352	39,928,528	5,506,387	5,506,387	\$ -		
2034	39,928,528	816,352	39,112,176	5,410,498	5,410,498	\$ -		
2035	39,112,176	816,352	38,295,824	5,314,609	5,314,609	\$ -		
2036	38,295,824	816,352	37,479,472	5,218,719	5,218,719	\$ -		
2037	37,479,472	816,352	36,663,120	5,122,830	5,122,830	\$ -		
2038	36,663,120	816,352	35,846,768	5,026,941	5,026,941	\$ -		
2039	35,846,768	816,352	35,030,416	4,931,051	4,931,051	\$ -		
2040	35,030,416	816,352	34,214,064	4,835,162	4,835,162	\$ -		
2041	34,214,064	816,352	33,397,712	4,739,273	4,739,273	\$ -		
2042	33,397,712	816,352	32,581,360	4,643,383	4,643,383	\$ -		
2043	32,581,360	816,352	31,765,008	4,547,494	4,547,494	\$ -		
2044	31,765,008	816,352	30,948,656	4,451,605	4,451,605	\$ -		
2045	30,948,656	816,352	30,132,304	4,355,715	4,355,715	\$ -		
2046	30,132,304	816,352	29,315,952	4,259,826	4,259,826	\$ -		
2047	29,315,952	816,352	28,499,600	4,163,937	4,163,937	\$ -		
2048	28,499,600	816,352	27,683,248	4,068,047	4,068,047	\$ -		
2049	27,683,248	816,352	26,866,896	3,972,158	3,972,158	\$ -		
2050	26,866,896	816,352	26,050,544	3,876,269	3,876,269	\$ -		
2051	26,050,544	816,352	25,234,192	3,780,379	3,780,379	\$ -		
2052	25,234,192	816,352	24,417,840	3,684,490	3,684,490	\$ -		
2053	24,417,840	816,352	23,601,488	3,588,601	3,588,601	\$ -		
2054	23,601,488	816,352	22,785,136	3,492,711	3,492,711	\$ -		
2055	22,785,136	816,352	21,968,784	3,396,822	3,396,822	\$ -		
2056	21,968,784	816,352	21,152,432	3,300,933	3,300,933	\$ -		
2057	21,152,432	816,352	20,336,080	3,205,043	3,205,043	\$ -		
2058	20,336,080	816,352	19,519,728	3,109,154	3,109,154	\$ -		
2059	19,519,728	816,352	18,703,376	3,013,265	3,013,265	\$ -		
2060	18,703,376	816,352	17,887,024	2,917,375	2,917,375	\$ -		
2061	17,887,024	816,352	17,070,672	2,821,486	2,821,486	\$ -		
2062	17,070,672	816,352	16,254,320	2,725,597	2,725,597	\$ -		
2063	16,254,320	816,352	15,437,968	2,629,708	2,629,708	\$ -		
2064	15,437,968	816,352	14,621,616	2,533,818	2,533,818	\$ -		
2065	14,621,616	816,352	13,805,264	2,437,929	2,437,929	\$ -		
2066	13,805,264	816,352	12,988,912	2,342,040	2,342,040	\$ -		
2067	12,988,912	816,352	12,172,560	2,246,150	2,246,150	\$ -		
2068	12,172,560	816,352	11,356,208	2,150,261	2,150,261	\$ -		
2069	11,356,208	816,352	10,539,856	2,054,372	2,054,372	\$ -		
2070	10,539,856	816,352	9,723,504	1,958,482	1,958,482	\$ -		
2071	9,723,504	816,352	8,907,152	1,862,593	1,862,593	\$ -		
2072	8,907,152	816,352	8,090,800	1,766,704	1,766,704	\$ -		
2073	8,090,800	816,352	7,274,448	1,670,814	1,670,814	\$ -		
2074	7,274,448	816,352	6,458,096	1,574,925	1,574,925	\$ -		
Project Totals		48,164,766		263,403,248	263,403,248	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	7,243,003
Current Projected Year ARR w/ Incentive	7,243,003
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b2017 (Reconductor or rebuild Sporn - Waterford - Muskingum River 345 kV line)

Details		Current Year	
Investment	58,385,114	2015	2015
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	11.75%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	11.75%
CIAC (Yes or No)	No	Annual Depreciation Expense	872,580

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	58,385,114	436,290	57,948,824	7,243,003	7,243,003	\$ -		
2016	57,948,824	872,580	57,076,244	7,576,799	7,576,799	\$ -		
2017	57,076,244	872,580	56,203,665	7,474,305	7,474,305	\$ -		
2018	56,203,665	872,580	55,331,085	7,371,811	7,371,811	\$ -		
2019	55,331,085	872,580	54,458,505	7,269,317	7,269,317	\$ -		
2020	54,458,505	872,580	53,585,925	7,166,823	7,166,823	\$ -		
2021	53,585,925	872,580	52,713,345	7,064,329	7,064,329	\$ -		
2022	52,713,345	872,580	51,840,765	6,961,836	6,961,836	\$ -		
2023	51,840,765	872,580	50,968,185	6,859,342	6,859,342	\$ -		
2024	50,968,185	872,580	50,095,605	6,756,848	6,756,848	\$ -		
2025	50,095,605	872,580	49,223,025	6,654,354	6,654,354	\$ -		
2026	49,223,025	872,580	48,350,445	6,551,860	6,551,860	\$ -		
2027	48,350,445	872,580	47,477,865	6,449,366	6,449,366	\$ -		
2028	47,477,865	872,580	46,605,285	6,346,872	6,346,872	\$ -		
2029	46,605,285	872,580	45,732,705	6,244,378	6,244,378	\$ -		
2030	45,732,705	872,580	44,860,125	6,141,885	6,141,885	\$ -		
2031	44,860,125	872,580	43,987,545	6,039,391	6,039,391	\$ -		
2032	43,987,545	872,580	43,114,965	5,936,897	5,936,897	\$ -		
2033	43,114,965	872,580	42,242,385	5,834,403	5,834,403	\$ -		
2034	42,242,385	872,580	41,369,805	5,731,909	5,731,909	\$ -		
2035	41,369,805	872,580	40,497,225	5,629,415	5,629,415	\$ -		
2036	40,497,225	872,580	39,624,645	5,526,921	5,526,921	\$ -		
2037	39,624,645	872,580	38,752,065	5,424,427	5,424,427	\$ -		
2038	38,752,065	872,580	37,879,485	5,321,934	5,321,934	\$ -		
2039	37,879,485	872,580	37,006,905	5,219,440	5,219,440	\$ -		
2040	37,006,905	872,580	36,134,325	5,116,946	5,116,946	\$ -		
2041	36,134,325	872,580	35,261,745	5,014,452	5,014,452	\$ -		
2042	35,261,745	872,580	34,389,165	4,911,958	4,911,958	\$ -		
2043	34,389,165	872,580	33,516,585	4,809,464	4,809,464	\$ -		
2044	33,516,585	872,580	32,644,005	4,706,970	4,706,970	\$ -		
2045	32,644,005	872,580	31,771,425	4,604,476	4,604,476	\$ -		
2046	31,771,425	872,580	30,898,845	4,501,983	4,501,983	\$ -		
2047	30,898,845	872,580	30,026,265	4,399,489	4,399,489	\$ -		
2048	30,026,265	872,580	29,153,685	4,296,995	4,296,995	\$ -		
2049	29,153,685	872,580	28,281,105	4,194,501	4,194,501	\$ -		
2050	28,281,105	872,580	27,408,525	4,092,007	4,092,007	\$ -		
2051	27,408,525	872,580	26,535,945	3,989,513	3,989,513	\$ -		
2052	26,535,945	872,580	25,663,365	3,887,019	3,887,019	\$ -		
2053	25,663,365	872,580	24,790,785	3,784,525	3,784,525	\$ -		
2054	24,790,785	872,580	23,918,205	3,682,031	3,682,031	\$ -		
2055	23,918,205	872,580	23,045,625	3,579,538	3,579,538	\$ -		
2056	23,045,625	872,580	22,173,045	3,477,044	3,477,044	\$ -		
2057	22,173,045	872,580	21,300,465	3,374,550	3,374,550	\$ -		
2058	21,300,465	872,580	20,427,885	3,272,056	3,272,056	\$ -		
2059	20,427,885	872,580	19,555,305	3,169,562	3,169,562	\$ -		
2060	19,555,305	872,580	18,682,725	3,067,068	3,067,068	\$ -		
2061	18,682,725	872,580	17,810,145	2,964,574	2,964,574	\$ -		
2062	17,810,145	872,580	16,937,565	2,862,080	2,862,080	\$ -		
2063	16,937,565	872,580	16,064,985	2,759,587	2,759,587	\$ -		
2064	16,064,985	872,580	15,192,405	2,657,093	2,657,093	\$ -		
2065	15,192,405	872,580	14,319,825	2,554,599	2,554,599	\$ -		
2066	14,319,825	872,580	13,447,245	2,452,105	2,452,105	\$ -		
2067	13,447,245	872,580	12,574,665	2,349,611	2,349,611	\$ -		
2068	12,574,665	872,580	11,702,085	2,247,117	2,247,117	\$ -		
2069	11,702,085	872,580	10,829,505	2,144,623	2,144,623	\$ -		
2070	10,829,505	872,580	9,956,925	2,042,129	2,042,129	\$ -		
2071	9,956,925	872,580	9,084,345	1,939,636	1,939,636	\$ -		
2072	9,084,345	872,580	8,211,765	1,837,142	1,837,142	\$ -		
2073	8,211,765	872,580	7,339,185	1,734,648	1,734,648	\$ -		
2074	7,339,185	872,580	6,466,605	1,632,154	1,632,154	\$ -		
Project Totals		51,918,493		278,907,109	278,907,109	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

I. Calculate Return and Income Taxes with 0 basis point ROE increase for Projects Qualified for Regional Billing.

A. Determine 'R' with hypothetical 0 basis point increase in ROE for Identified Projects

ROE w/o incentives (True-Up TCOS, In 176)		11.49%	
Project ROE Incentive Adder		0	<=ROE Adder Cannot Exceed 100 Basis Points
ROE with additional 0 basis point incentive		11.49%	<= ROE Including Incentives Cannot Exceed 12.5% Until July 1, 2012
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the True-Up TCOS, Ins 159 through 162)			
	%	Cost	Weighted cost
Long Term Debt	50.00%	5.32%	2.660%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	50.00%	11.49%	5.745%
			R = 8.405%

SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEPPROJECTS				
TRUE-UP YEAR	2014	Rev Require	W Incentives	Incentive Amounts
As Projected in Prior Year WS J	\$	13,412,046	\$	13,412,046
Actual after True-up	\$	12,138,897	\$	12,138,897
True-up of ARR For 2014		(1,273,149)		(1,273,149)

B. Determine Return using 'R' with hypothetical 0 basis point ROE increase for Identified Projects.

Rate Base (True-Up TCOS, In 78)	661,276,272
R (from A. above)	8.405%
Return (Rate Base x R)	55,579,404

C. Determine Income Taxes using Return with hypothetical 0 basis point ROE increase for Identified Projects.

Return (from B. above)	55,579,404
Effective Tax Rate (True-Up TCOS, In 124)	40.86%
Income Tax Calculation (Return x CIT)	22,710,394
ITC Adjustment	-
Income Taxes	22,710,394

II. Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with hypothetical 0 basis point ROE increase.

A. Determine Annual Revenue Requirement less return and Income Taxes.

Annual Revenue Requirement (True-Up TCOS, In 1)	117,393,236
T.E.A. & Lease Payments (True-Up TCOS, Lns 102 & 103)	-
Return (True-Up TCOS, In 132)	50,063,001
Income Taxes (True-Up TCOS, In 131)	20,456,327
Annual Revenue Requirement, Less TEA	46,873,907
Charges, Return and Taxes	

B. Determine Annual Revenue Requirement with hypothetical 0 basis point increase in ROE.

Annual Revenue Requirement, Less TEA Charges, Return and Taxes	46,873,907
Return (from I.B. above)	55,579,404
Income Taxes (from I.C. above)	22,710,394
Annual Revenue Requirement, with 0 Basis Point ROE increase	125,163,705
Depreciation (True-Up TCOS, In 108)	12,151,265
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	113,012,440

C. Determine FCR with hypothetical 0 basis point ROE increase.

Net Transmission Plant (True-Up TCOS, In 48)	797,765,210
Annual Revenue Requirement, with 0 Basis Point ROE increase	125,163,705
FCR with 0 Basis Point increase in ROE	15.69%

Annual Rev. Req. w/ 0 Basis Point ROE increase, less Dep.	113,012,440
FCR with 0 Basis Point ROE increase, less Depreciation	14.17%
FCR less Depreciation (True-Up TCOS, In 9)	13.19%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.97%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Historic Period () (P.206, In 58,(b)):	546,738,447
Transmission Plant @ End of Historic Period () (P.207, In 58,(g)):	1,079,366,250
Subtotal	1,626,104,697
Average Transmission Plant Balance for	813,052,349
Annual Depreciation Rate (True-Up TCOS, In 108)	12,151,265
Composite Depreciation Rate	1.49%
Depreciable Life for Composite Depreciation Rate	66.91
Round to nearest whole year	67

Note 1: Until AEP OHIO TRANSMISSION COMPANY establishes Transmission plant in service the depreciation expense component of the carrying charge will be calculated as in the Operating Company formula approved in Docket No. ER08-1329. The calculation for AEP OHIO TRANSMISSION COMPANY is shown on Worksheet P.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b1034.1 (South Canton - West Canton 138kV line and Wagenhals - Wayview 138kV)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	964,332	964,332	-
Prior Yr True-Up	768,973	768,973	-
True-Up Adjustment	(195,359)	(195,359)	-

Details		2014
Investment	5,277,200	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	11	FCR w/o incentives, less depreciation
Useful life	67	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't with Incentives **	True-up of Incentive with Incentives **
2013	5,277,200	6,572	5,270,628	5,273,914	702,312	702,312	\$ -	\$ 443,007	\$ 259,305	\$ 443,007	\$ 259,305	\$ -
2014	5,270,628	78,869	5,191,759	5,231,193	768,973	768,973	\$ -	\$ 964,332	\$ (195,359)	\$ 964,332	\$ (195,359)	\$ -
2015	5,191,759	78,869	5,112,890	5,152,324	758,569	758,569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	5,112,890	78,869	5,034,020	5,073,455	748,164	748,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	5,034,020	78,869	4,955,151	4,994,586	737,760	737,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	4,955,151	78,869	4,876,282	4,915,717	727,355	727,355	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	4,876,282	78,869	4,797,413	4,836,848	716,951	716,951	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	4,797,413	78,869	4,718,544	4,757,979	706,546	706,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	4,718,544	78,869	4,639,675	4,679,110	696,142	696,142	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	4,639,675	78,869	4,560,806	4,600,241	685,737	685,737	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	4,560,806	78,869	4,481,937	4,521,372	675,333	675,333	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	4,481,937	78,869	4,403,068	4,442,503	664,928	664,928	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	4,403,068	78,869	4,324,199	4,363,634	654,524	654,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	4,324,199	78,869	4,245,330	4,284,765	644,119	644,119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	4,245,330	78,869	4,166,461	4,205,896	633,715	633,715	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	4,166,461	78,869	4,087,592	4,127,027	623,310	623,310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	4,087,592	78,869	4,008,723	4,048,158	612,906	612,906	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	4,008,723	78,869	3,929,854	3,969,288	602,501	602,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	3,929,854	78,869	3,850,985	3,890,419	592,097	592,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	3,850,985	78,869	3,772,116	3,811,550	581,693	581,693	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	3,772,116	78,869	3,693,247	3,732,681	571,288	571,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	3,693,247	78,869	3,614,378	3,653,812	560,884	560,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	3,614,378	78,869	3,535,509	3,574,943	550,479	550,479	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	3,535,509	78,869	3,456,640	3,496,074	540,075	540,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	3,456,640	78,869	3,377,771	3,417,205	529,670	529,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	3,377,771	78,869	3,298,902	3,338,336	519,266	519,266	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	3,298,902	78,869	3,220,033	3,259,467	508,861	508,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	3,220,033	78,869	3,141,164	3,180,598	498,457	498,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	3,141,164	78,869	3,062,295	3,101,729	488,052	488,052	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	3,062,295	78,869	2,983,426	3,022,860	477,648	477,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	2,983,426	78,869	2,904,556	2,943,991	467,243	467,243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	2,904,556	78,869	2,825,687	2,865,122	456,839	456,839	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	2,825,687	78,869	2,746,818	2,786,253	446,434	446,434	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	2,746,818	78,869	2,667,949	2,707,384	436,030	436,030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	2,667,949	78,869	2,589,080	2,628,515	425,625	425,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	2,589,080	78,869	2,510,211	2,549,646	415,221	415,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	2,510,211	78,869	2,431,342	2,470,777	404,816	404,816	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	2,431,342	78,869	2,352,473	2,391,908	394,412	394,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	2,352,473	78,869	2,273,604	2,313,039	384,007	384,007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	2,273,604	78,869	2,194,735	2,234,170	373,603	373,603	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	2,194,735	78,869	2,115,866	2,155,301	363,198	363,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	2,115,866	78,869	2,036,997	2,076,432	352,794	352,794	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	2,036,997	78,869	1,958,128	1,997,563	342,389	342,389	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	1,958,128	78,869	1,879,259	1,918,694	331,985	331,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	1,879,259	78,869	1,800,390	1,839,824	321,580	321,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	1,800,390	78,869	1,721,521	1,760,955	311,176	311,176	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	1,721,521	78,869	1,642,652	1,682,086	300,772	300,772	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	1,642,652	78,869	1,563,783	1,603,217	290,367	290,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	1,563,783	78,869	1,484,914	1,524,348	279,963	279,963	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	1,484,914	78,869	1,406,045	1,445,479	269,558	269,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	1,406,045	78,869	1,327,176	1,366,610	259,154	259,154	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	1,327,176	78,869	1,248,307	1,287,741	248,749	248,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	1,248,307	78,869	1,169,438	1,208,872	238,345	238,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	1,169,438	78,869	1,090,569	1,130,003	227,940	227,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	1,090,569	78,869	1,011,700	1,051,134	217,536	217,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	1,011,700	78,869	932,831	972,265	207,131	207,131	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	932,831	78,869	853,962	893,396	196,727	196,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	853,962	78,869	775,092	814,527	186,322	186,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	775,092	78,869	696,223	735,658	175,918	175,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	696,223	78,869	617,354	656,789	165,513	165,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		4,659,846			28,269,662	28,269,662	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description:

RTEP ID: b1034.8 (138kV Circuit Breakers at the West Canton, South Canton, Canton Central, and Wagenhals stations)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	568,269	568,269	-
Prior Yr True-Up	627,757	627,757	-
True-Up Adjustment	59,488	59,488	-

Details		Current Year	2014
Investment	4,303,228		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	13.19%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	13.19%
CIAC (Yes or No)	No	Annual Depreciation Expense	64,313

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't with Incentives **	True-up of Incentive with Incentives **
2013	4,303,228	-	4,303,228	4,303,228	567,686	567,686	\$ -	\$ 244,284	\$ 323,402	\$ 244,284	\$ 323,402	\$ -
2014	4,303,228	64,313	4,238,915	4,271,072	627,757	627,757	\$ -	\$ 568,269	\$ 59,488	\$ 568,269	\$ 59,488	\$ -
2015	4,238,915	64,313	4,174,602	4,206,759	619,273	619,273	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	4,174,602	64,313	4,110,290	4,142,446	610,788	610,788	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	4,110,290	64,313	4,045,977	4,078,133	602,304	602,304	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	4,045,977	64,313	3,981,664	4,013,820	593,820	593,820	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	3,981,664	64,313	3,917,351	3,949,508	585,336	585,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	3,917,351	64,313	3,853,038	3,885,195	576,852	576,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	3,853,038	64,313	3,788,726	3,820,882	568,367	568,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	3,788,726	64,313	3,724,413	3,756,569	559,883	559,883	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	3,724,413	64,313	3,660,100	3,692,257	551,399	551,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	3,660,100	64,313	3,595,787	3,627,944	542,915	542,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	3,595,787	64,313	3,531,475	3,563,631	534,430	534,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	3,531,475	64,313	3,467,162	3,499,318	525,946	525,946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	3,467,162	64,313	3,402,849	3,435,005	517,462	517,462	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	3,402,849	64,313	3,338,536	3,370,693	508,978	508,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	3,338,536	64,313	3,274,223	3,306,380	500,494	500,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	3,274,223	64,313	3,209,911	3,242,067	492,009	492,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	3,209,911	64,313	3,145,598	3,177,754	483,525	483,525	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	3,145,598	64,313	3,081,285	3,113,441	475,041	475,041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	3,081,285	64,313	3,016,972	3,049,129	466,557	466,557	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	3,016,972	64,313	2,952,659	2,984,816	458,073	458,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	2,952,659	64,313	2,888,347	2,920,503	449,588	449,588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	2,888,347	64,313	2,824,034	2,856,190	441,104	441,104	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	2,824,034	64,313	2,759,721	2,791,877	432,620	432,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	2,759,721	64,313	2,695,408	2,727,565	424,136	424,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	2,695,408	64,313	2,631,095	2,663,252	415,652	415,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	2,631,095	64,313	2,566,783	2,598,939	407,167	407,167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	2,566,783	64,313	2,502,470	2,534,626	398,683	398,683	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	2,502,470	64,313	2,438,157	2,470,314	390,199	390,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	2,438,157	64,313	2,373,844	2,406,001	381,715	381,715	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	2,373,844	64,313	2,309,532	2,341,688	373,231	373,231	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	2,309,532	64,313	2,245,219	2,277,375	364,746	364,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	2,245,219	64,313	2,180,906	2,213,062	356,262	356,262	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	2,180,906	64,313	2,116,593	2,148,750	347,778	347,778	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	2,116,593	64,313	2,052,280	2,084,437	339,294	339,294	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	2,052,280	64,313	1,987,968	2,020,124	330,810	330,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	1,987,968	64,313	1,923,655	1,955,811	322,325	322,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	1,923,655	64,313	1,859,342	1,891,498	313,841	313,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	1,859,342	64,313	1,795,029	1,827,186	305,357	305,357	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	1,795,029	64,313	1,730,716	1,762,873	296,873	296,873	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	1,730,716	64,313	1,666,404	1,698,560	288,389	288,389	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	1,666,404	64,313	1,602,091	1,634,247	279,904	279,904	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	1,602,091	64,313	1,537,778	1,569,934	271,420	271,420	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	1,537,778	64,313	1,473,465	1,505,622	262,936	262,936	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	1,473,465	64,313	1,409,153	1,441,309	254,452	254,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	1,409,153	64,313	1,344,840	1,376,996	245,967	245,967	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	1,344,840	64,313	1,280,527	1,312,683	237,483	237,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	1,280,527	64,313	1,216,214	1,248,371	228,999	228,999	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	1,216,214	64,313	1,151,901	1,184,058	220,515	220,515	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	1,151,901	64,313	1,087,589	1,119,745	212,031	212,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	1,087,589	64,313	1,023,276	1,055,432	203,546	203,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	1,023,276	64,313	958,963	991,119	195,062	195,062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	958,963	64,313	894,650	926,807	186,578	186,578	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	894,650	64,313	830,337	862,494	178,094	178,094	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	830,337	64,313	766,025	798,181	169,610	169,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	766,025	64,313	701,712	733,868	161,125	161,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	701,712	64,313	637,399	669,555	152,641	152,641	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	637,399	64,313	573,086	605,243	144,157	144,157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	573,086	64,313	508,773	540,930	135,673	135,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		3,794,455			23,088,858	23,088,858	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b1864.2 (West Bellaire-Brues 138 kV Circuit)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	140,765	140,765	-
Prior Yr True-Up	159,116	159,116	-
True-Up Adjustment	18,351	18,351	-

Details		Current Year	2014
Investment	1,093,191		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	13.19%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	13.19%
CIAC (Yes or No)	No	Annual Depreciation Expense	16,338

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't.From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't.From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	1,093,191	2,723	1,090,468	1,091,829	146,758	146,758	\$ -	\$ 124,755	\$ 22,003	\$ 124,755	\$ 22,003	\$ -
2014	1,090,468	16,338	1,074,130	1,082,299	159,116	159,116	\$ -	\$ 140,765	\$ 18,351	\$ 140,765	\$ 18,351	\$ -
2015	1,074,130	16,338	1,057,792	1,065,961	156,961	156,961	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	1,057,792	16,338	1,041,454	1,049,623	154,805	154,805	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	1,041,454	16,338	1,025,116	1,033,285	152,650	152,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	1,025,116	16,338	1,008,778	1,016,947	150,495	150,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	1,008,778	16,338	992,440	1,000,609	148,339	148,339	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	992,440	16,338	976,102	984,271	146,184	146,184	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	976,102	16,338	959,764	967,933	144,029	144,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	959,764	16,338	943,426	951,595	141,873	141,873	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	943,426	16,338	927,088	935,257	139,718	139,718	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	927,088	16,338	910,750	918,919	137,563	137,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	910,750	16,338	894,412	902,581	135,407	135,407	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	894,412	16,338	878,074	886,243	133,252	133,252	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	878,074	16,338	861,736	869,905	131,097	131,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	861,736	16,338	845,398	853,567	128,941	128,941	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	845,398	16,338	829,060	837,229	126,786	126,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	829,060	16,338	812,722	820,891	124,631	124,631	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	812,722	16,338	796,384	804,553	122,475	122,475	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	796,384	16,338	780,046	788,215	120,320	120,320	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	780,046	16,338	763,708	771,877	118,165	118,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	763,708	16,338	747,370	755,539	116,009	116,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	747,370	16,338	731,032	739,201	113,854	113,854	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	731,032	16,338	714,694	722,863	111,699	111,699	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	714,694	16,338	698,356	706,525	109,543	109,543	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	698,356	16,338	682,018	690,187	107,388	107,388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	682,018	16,338	665,680	673,849	105,233	105,233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	665,680	16,338	649,342	657,511	103,077	103,077	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	649,342	16,338	633,004	641,173	100,922	100,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	633,004	16,338	616,666	624,835	98,767	98,767	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	616,666	16,338	600,328	608,497	96,612	96,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	600,328	16,338	583,990	592,159	94,456	94,456	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	583,990	16,338	567,652	575,821	92,301	92,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	567,652	16,338	551,314	559,483	90,146	90,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	551,314	16,338	534,976	543,145	87,990	87,990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	534,976	16,338	518,638	526,807	85,835	85,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	518,638	16,338	502,300	510,469	83,680	83,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	502,300	16,338	485,962	494,131	81,524	81,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	485,962	16,338	469,624	477,793	79,369	79,369	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	469,624	16,338	453,286	461,455	77,214	77,214	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	453,286	16,338	436,948	445,117	75,058	75,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	436,948	16,338	420,610	428,779	72,903	72,903	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	420,610	16,338	404,272	412,441	70,748	70,748	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	404,272	16,338	387,934	396,103	68,592	68,592	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	387,934	16,338	371,596	379,765	66,437	66,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	371,596	16,338	355,258	363,427	64,282	64,282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	355,258	16,338	338,920	347,089	62,126	62,126	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	338,920	16,338	322,582	330,751	59,971	59,971	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	322,582	16,338	306,244	314,413	57,816	57,816	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	306,244	16,338	289,906	298,075	55,660	55,660	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	289,906	16,338	273,568	281,737	53,505	53,505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	273,568	16,338	257,230	265,399	51,350	51,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	257,230	16,338	240,892	249,061	49,194	49,194	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	240,892	16,338	224,554	232,723	47,039	47,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	224,554	16,338	208,216	216,385	44,884	44,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	208,216	16,338	191,878	200,047	42,728	42,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	191,878	16,338	175,540	183,709	40,573	40,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	175,540	16,338	159,202	167,371	38,418	38,418	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	159,202	16,338	142,864	151,033	36,262	36,262	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	142,864	16,338	126,526	134,695	34,107	34,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		966,665			5,846,837	5,846,837	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description:

RTEP ID: b1870 (Replace Ohio Central transformer #1 345/138/12 kV 450 MVA for a 345/138/34.5 kV 675 MVA transformer)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	900,905	900,905	-
Prior Yr True-Up	999,188	999,188	-
True-Up Adjustment	98,283	98,283	-

Details		2014
Investment	6,849,365	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	67	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	6,849,365	-	6,849,365	6,849,365	903,575	903,575	\$ -	\$ 576,980	\$ 326,595	\$ 576,980	\$ 326,595	\$ -
2014	6,849,365	102,365	6,747,000	6,798,182	999,188	999,188	\$ -	\$ 900,905	\$ 98,283	\$ 900,905	\$ 98,283	\$ -
2015	6,747,000	102,365	6,644,634	6,695,817	985,684	985,684	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	6,644,634	102,365	6,542,269	6,593,451	972,180	972,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	6,542,269	102,365	6,439,903	6,491,086	958,676	958,676	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	6,439,903	102,365	6,337,538	6,388,721	945,172	945,172	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	6,337,538	102,365	6,235,172	6,286,355	931,668	931,668	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	6,235,172	102,365	6,132,807	6,183,990	918,163	918,163	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	6,132,807	102,365	6,030,442	6,081,624	904,659	904,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	6,030,442	102,365	5,928,076	5,979,259	891,155	891,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	5,928,076	102,365	5,825,711	5,876,893	877,651	877,651	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	5,825,711	102,365	5,723,345	5,774,528	864,147	864,147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	5,723,345	102,365	5,620,980	5,672,163	850,643	850,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	5,620,980	102,365	5,518,614	5,569,797	837,139	837,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	5,518,614	102,365	5,416,249	5,467,432	823,634	823,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	5,416,249	102,365	5,313,884	5,365,066	810,130	810,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	5,313,884	102,365	5,211,518	5,262,701	796,626	796,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	5,211,518	102,365	5,109,153	5,160,335	783,122	783,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	5,109,153	102,365	5,006,787	5,057,970	769,618	769,618	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	5,006,787	102,365	4,904,422	4,955,605	756,114	756,114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	4,904,422	102,365	4,802,057	4,853,239	742,610	742,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	4,802,057	102,365	4,699,691	4,750,874	729,105	729,105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	4,699,691	102,365	4,597,326	4,648,508	715,601	715,601	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	4,597,326	102,365	4,494,960	4,546,143	702,097	702,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	4,494,960	102,365	4,392,595	4,443,778	688,593	688,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	4,392,595	102,365	4,290,229	4,341,412	675,089	675,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	4,290,229	102,365	4,187,864	4,239,047	661,585	661,585	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	4,187,864	102,365	4,085,499	4,136,681	648,080	648,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	4,085,499	102,365	3,983,133	4,034,316	634,576	634,576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	3,983,133	102,365	3,880,768	3,931,950	621,072	621,072	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	3,880,768	102,365	3,778,402	3,829,585	607,568	607,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	3,778,402	102,365	3,676,037	3,727,220	594,064	594,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	3,676,037	102,365	3,573,671	3,624,854	580,560	580,560	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	3,573,671	102,365	3,471,306	3,522,489	567,056	567,056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	3,471,306	102,365	3,368,941	3,420,123	553,551	553,551	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	3,368,941	102,365	3,266,575	3,317,758	540,047	540,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	3,266,575	102,365	3,164,210	3,215,392	526,543	526,543	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	3,164,210	102,365	3,061,844	3,113,027	513,039	513,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	3,061,844	102,365	2,959,479	3,010,662	499,535	499,535	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	2,959,479	102,365	2,857,113	2,908,296	486,031	486,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	2,857,113	102,365	2,754,748	2,805,931	472,527	472,527	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	2,754,748	102,365	2,652,383	2,703,565	459,022	459,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	2,652,383	102,365	2,550,017	2,601,200	445,518	445,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	2,550,017	102,365	2,447,652	2,498,834	432,014	432,014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	2,447,652	102,365	2,345,286	2,396,469	418,510	418,510	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	2,345,286	102,365	2,242,921	2,294,104	405,006	405,006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	2,242,921	102,365	2,140,555	2,191,738	391,502	391,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	2,140,555	102,365	2,038,190	2,089,373	377,998	377,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	2,038,190	102,365	1,935,825	1,987,007	364,493	364,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	1,935,825	102,365	1,833,459	1,884,642	350,989	350,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	1,833,459	102,365	1,731,094	1,782,276	337,485	337,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	1,731,094	102,365	1,628,728	1,679,911	323,981	323,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	1,628,728	102,365	1,526,363	1,577,546	310,477	310,477	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	1,526,363	102,365	1,423,997	1,475,180	296,973	296,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	1,423,997	102,365	1,321,632	1,372,815	283,468	283,468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	1,321,632	102,365	1,219,267	1,270,449	269,964	269,964	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	1,219,267	102,365	1,116,901	1,168,084	256,460	256,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	1,116,901	102,365	1,014,536	1,065,718	242,956	242,956	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	1,014,536	102,365	912,170	963,353	229,452	229,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	912,170	102,365	809,805	860,988	215,948	215,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		6,039,560			36,750,089	36,750,089	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1032.2 (Construct two 138kV outlets to Delano 138kV station and to Camp Sherman station)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	322,176	322,176	-
Prior Yr True-Up	-	-	-
True-Up Adjustment	(322,176)	(322,176)	-

Details		2014
Investment	-	Current Year
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	-	FCR w/o incentives, less depreciation
Useful life	67	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
 CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
 INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
 TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE
 LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't.From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't.From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2014	-	-	-	-	-	-	-	\$ 322,176	\$ (322,176)	\$ 322,176	\$ (322,176)	\$ -
2015	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2016	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2017	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2018	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2019	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2020	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2021	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2022	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2023	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2024	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2025	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2026	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2027	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2028	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2029	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2030	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2031	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2032	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2033	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2034	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2035	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2036	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2037	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2038	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2039	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2040	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2041	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2042	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2043	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2044	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2045	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2046	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2047	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2048	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2049	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2050	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2051	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2052	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2053	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2054	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2055	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2056	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2057	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2058	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2073	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b1034.2 (Loop the existing South Canton - Wayview 138kV circuit in-and-out of West Canton)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	580,874	580,874	-
Prior Yr True-Up	797,849	797,849	-
True-Up Adjustment	216,975	216,975	-

Details		2014
Investment	5,943,118	Current Year
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	10	FCR w/o incentives, less depreciation
Useful life	67	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2014	5,943,118	14,804	5,928,314	5,935,716	797,849	797,849	\$ -	\$ 580,874	\$ 216,975	\$ 580,874	\$ 216,975	\$ -
2015	5,928,314	88,821	5,839,493	5,883,904	865,032	865,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	5,839,493	88,821	5,750,672	5,795,082	853,314	853,314	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	5,750,672	88,821	5,661,850	5,706,261	841,597	841,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	5,661,850	88,821	5,573,029	5,617,440	829,880	829,880	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	5,573,029	88,821	5,484,208	5,528,618	818,162	818,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	5,484,208	88,821	5,395,386	5,439,797	806,445	806,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	5,395,386	88,821	5,306,565	5,350,976	794,727	794,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	5,306,565	88,821	5,217,744	5,262,154	783,010	783,010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	5,217,744	88,821	5,128,922	5,173,333	771,293	771,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	5,128,922	88,821	5,040,101	5,084,512	759,575	759,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	5,040,101	88,821	4,951,280	4,995,690	747,858	747,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	4,951,280	88,821	4,862,458	4,906,869	736,140	736,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	4,862,458	88,821	4,773,637	4,818,048	724,423	724,423	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	4,773,637	88,821	4,684,816	4,729,226	712,706	712,706	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	4,684,816	88,821	4,595,994	4,640,405	700,988	700,988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	4,595,994	88,821	4,507,173	4,551,584	689,271	689,271	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	4,507,173	88,821	4,418,352	4,462,762	677,553	677,553	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	4,418,352	88,821	4,329,530	4,373,941	665,836	665,836	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	4,329,530	88,821	4,240,709	4,285,120	654,119	654,119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	4,240,709	88,821	4,151,888	4,196,298	642,401	642,401	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	4,151,888	88,821	4,063,066	4,107,477	630,684	630,684	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	4,063,066	88,821	3,974,245	4,018,656	618,966	618,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	3,974,245	88,821	3,885,424	3,929,834	607,249	607,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	3,885,424	88,821	3,796,602	3,841,013	595,532	595,532	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	3,796,602	88,821	3,707,781	3,752,192	583,814	583,814	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	3,707,781	88,821	3,618,960	3,663,370	572,097	572,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	3,618,960	88,821	3,530,138	3,574,549	560,379	560,379	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	3,530,138	88,821	3,441,317	3,485,728	548,662	548,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	3,441,317	88,821	3,352,495	3,396,906	536,945	536,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	3,352,495	88,821	3,263,674	3,308,085	525,227	525,227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	3,263,674	88,821	3,174,853	3,219,263	513,510	513,510	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	3,174,853	88,821	3,086,031	3,130,442	501,792	501,792	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	3,086,031	88,821	2,997,210	3,041,621	490,075	490,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	2,997,210	88,821	2,908,389	2,952,799	478,358	478,358	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	2,908,389	88,821	2,819,567	2,863,978	466,640	466,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	2,819,567	88,821	2,730,746	2,775,157	454,923	454,923	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	2,730,746	88,821	2,641,925	2,686,335	443,205	443,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	2,641,925	88,821	2,553,103	2,597,514	431,488	431,488	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	2,553,103	88,821	2,464,282	2,508,693	419,771	419,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	2,464,282	88,821	2,375,461	2,419,871	408,053	408,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	2,375,461	88,821	2,286,639	2,331,050	396,336	396,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	2,286,639	88,821	2,197,818	2,242,229	384,618	384,618	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	2,197,818	88,821	2,108,997	2,153,407	372,901	372,901	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	2,108,997	88,821	2,020,175	2,064,586	361,184	361,184	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	2,020,175	88,821	1,931,354	1,975,765	349,466	349,466	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	1,931,354	88,821	1,842,533	1,886,943	337,749	337,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	1,842,533	88,821	1,753,711	1,798,122	326,031	326,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	1,753,711	88,821	1,664,890	1,709,301	314,314	314,314	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	1,664,890	88,821	1,576,069	1,620,479	302,597	302,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	1,576,069	88,821	1,487,247	1,531,658	290,879	290,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	1,487,247	88,821	1,398,426	1,442,837	279,162	279,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	1,398,426	88,821	1,309,605	1,354,015	267,444	267,444	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	1,309,605	88,821	1,220,783	1,265,194	255,727	255,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	1,220,783	88,821	1,131,962	1,176,373	244,010	244,010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	1,131,962	88,821	1,043,141	1,087,551	232,292	232,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	1,043,141	88,821	954,319	998,730	220,575	220,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	954,319	88,821	865,498	909,909	208,857	208,857	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	865,498	88,821	776,677	821,087	197,140	197,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	776,677	88,821	687,855	732,266	185,423	185,423	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		5,255,263			31,786,251	31,786,251	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

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IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b1034.3 (Install a 345/138kV 450 MVA transformer at Canton Central)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,611,055	1,611,055	-
Prior Yr True-Up	1,733,261	1,733,261	-
True-Up Adjustment	122,206	122,206	-

Details		2014
Investment	13,138,633	Current Year
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	67	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2014	13,138,633	-	13,138,633	13,138,633	1,733,261	1,733,261	\$ -	\$ 1,611,055	\$ 122,206	\$ 1,611,055	\$ 122,206	\$ -
2015	13,138,633	196,360	12,942,273	13,040,453	1,916,669	1,916,669	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	12,942,273	196,360	12,745,913	12,844,093	1,890,765	1,890,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	12,745,913	196,360	12,549,553	12,647,733	1,864,861	1,864,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	12,549,553	196,360	12,353,193	12,451,373	1,838,957	1,838,957	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	12,353,193	196,360	12,156,833	12,255,013	1,813,053	1,813,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	12,156,833	196,360	11,960,473	12,058,653	1,787,149	1,787,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	11,960,473	196,360	11,764,113	11,862,293	1,761,245	1,761,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	11,764,113	196,360	11,567,752	11,665,933	1,735,341	1,735,341	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	11,567,752	196,360	11,371,392	11,469,572	1,709,437	1,709,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	11,371,392	196,360	11,175,032	11,273,212	1,683,533	1,683,533	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	11,175,032	196,360	10,978,672	11,076,852	1,657,629	1,657,629	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	10,978,672	196,360	10,782,312	10,880,492	1,631,725	1,631,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	10,782,312	196,360	10,585,952	10,684,132	1,605,821	1,605,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	10,585,952	196,360	10,389,592	10,487,772	1,579,917	1,579,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	10,389,592	196,360	10,193,232	10,291,412	1,554,013	1,554,013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	10,193,232	196,360	9,996,872	10,095,052	1,528,109	1,528,109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	9,996,872	196,360	9,800,512	9,898,692	1,502,205	1,502,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	9,800,512	196,360	9,604,152	9,702,332	1,476,301	1,476,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	9,604,152	196,360	9,407,792	9,505,972	1,450,397	1,450,397	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	9,407,792	196,360	9,211,432	9,309,612	1,424,493	1,424,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	9,211,432	196,360	9,015,072	9,113,252	1,398,589	1,398,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	9,015,072	196,360	8,818,712	8,916,892	1,372,685	1,372,685	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	8,818,712	196,360	8,622,352	8,720,532	1,346,781	1,346,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	8,622,352	196,360	8,425,991	8,524,171	1,320,877	1,320,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	8,425,991	196,360	8,229,631	8,327,811	1,294,973	1,294,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	8,229,631	196,360	8,033,271	8,131,451	1,269,069	1,269,069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	8,033,271	196,360	7,836,911	7,935,091	1,243,165	1,243,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	7,836,911	196,360	7,640,551	7,738,731	1,217,261	1,217,261	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	7,640,551	196,360	7,444,191	7,542,371	1,191,357	1,191,357	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	7,444,191	196,360	7,247,831	7,346,011	1,165,453	1,165,453	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	7,247,831	196,360	7,051,471	7,149,651	1,139,549	1,139,549	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	7,051,471	196,360	6,855,111	6,953,291	1,113,645	1,113,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	6,855,111	196,360	6,658,751	6,756,931	1,087,741	1,087,741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	6,658,751	196,360	6,462,391	6,560,571	1,061,837	1,061,837	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	6,462,391	196,360	6,266,031	6,364,211	1,035,933	1,035,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	6,266,031	196,360	6,069,671	6,167,851	1,010,029	1,010,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	6,069,671	196,360	5,873,311	5,971,491	984,125	984,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	5,873,311	196,360	5,676,951	5,775,131	958,221	958,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	5,676,951	196,360	5,480,591	5,578,771	932,317	932,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	5,480,591	196,360	5,284,231	5,382,411	906,413	906,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	5,284,231	196,360	5,087,871	5,186,051	880,509	880,509	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	5,087,871	196,360	4,891,511	4,989,691	854,605	854,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	4,891,511	196,360	4,695,151	4,793,331	828,701	828,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	4,695,151	196,360	4,498,791	4,596,971	802,797	802,797	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	4,498,791	196,360	4,302,431	4,400,611	776,893	776,893	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	4,302,431	196,360	4,106,071	4,204,251	750,989	750,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	4,106,071	196,360	3,909,711	4,007,891	725,085	725,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	3,909,711	196,360	3,713,351	3,811,531	699,181	699,181	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	3,713,351	196,360	3,516,991	3,615,171	673,277	673,277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	3,516,991	196,360	3,320,631	3,418,811	647,373	647,373	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	3,320,631	196,360	3,124,271	3,222,451	621,469	621,469	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	3,124,271	196,360	2,927,911	3,026,091	595,565	595,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	2,927,911	196,360	2,731,551	2,829,731	569,661	569,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	2,731,551	196,360	2,535,191	2,633,371	543,757	543,757	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	2,535,191	196,360	2,338,829	2,437,011	517,853	517,853	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	2,338,829	196,360	2,142,469	2,240,649	491,949	491,949	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	2,142,469	196,360	1,946,109	2,044,289	466,045	466,045	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	1,946,109	196,360	1,749,749	1,847,929	440,141	440,141	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	1,749,749	196,360	1,553,389	1,651,569	414,237	414,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		11,585,244			70,494,993	70,494,993	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b1970 (Reconductor 13 miles of Kammer-West Bellaire 345 kV line)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,502,768	1,502,768	-
Prior Yr True-Up	1,689,959	1,689,959	-
True-Up Adjustment	187,191	187,191	-

Details		2014
Investment	12,810,386	Current Year
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	67	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2014	12,810,386	-	12,810,386	12,810,386	1,689,959	1,689,959	\$ -	\$ 1,502,768	\$ 187,191	\$ 1,502,768	\$ 187,191	\$ -
2015	12,810,386	191,454	12,618,932	12,714,659	1,868,785	1,868,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	12,618,932	191,454	12,427,477	12,523,205	1,843,528	1,843,528	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	12,427,477	191,454	12,236,023	12,331,750	1,818,271	1,818,271	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	12,236,023	191,454	12,044,569	12,140,296	1,793,014	1,793,014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	12,044,569	191,454	11,853,114	11,948,842	1,767,757	1,767,757	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	11,853,114	191,454	11,661,660	11,757,387	1,742,500	1,742,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	11,661,660	191,454	11,470,206	11,565,933	1,717,244	1,717,244	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	11,470,206	191,454	11,278,751	11,374,479	1,691,987	1,691,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	11,278,751	191,454	11,087,297	11,183,024	1,666,730	1,666,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	11,087,297	191,454	10,895,843	10,991,570	1,641,473	1,641,473	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	10,895,843	191,454	10,704,388	10,800,116	1,616,216	1,616,216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	10,704,388	191,454	10,512,934	10,608,661	1,590,959	1,590,959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	10,512,934	191,454	10,321,480	10,417,207	1,565,703	1,565,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	10,321,480	191,454	10,130,025	10,225,753	1,540,446	1,540,446	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	10,130,025	191,454	9,938,571	10,034,298	1,515,189	1,515,189	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	9,938,571	191,454	9,747,117	9,842,844	1,489,932	1,489,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	9,747,117	191,454	9,555,662	9,651,390	1,464,675	1,464,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	9,555,662	191,454	9,364,208	9,459,935	1,439,418	1,439,418	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	9,364,208	191,454	9,172,754	9,268,481	1,414,161	1,414,161	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	9,172,754	191,454	8,981,299	9,077,027	1,388,905	1,388,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	8,981,299	191,454	8,789,845	8,885,572	1,363,648	1,363,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	8,789,845	191,454	8,598,391	8,694,118	1,338,391	1,338,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	8,598,391	191,454	8,406,936	8,502,664	1,313,134	1,313,134	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	8,406,936	191,454	8,215,482	8,311,209	1,287,877	1,287,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	8,215,482	191,454	8,024,028	8,119,755	1,262,620	1,262,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	8,024,028	191,454	7,832,573	7,928,301	1,237,364	1,237,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	7,832,573	191,454	7,641,119	7,736,846	1,212,107	1,212,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	7,641,119	191,454	7,449,665	7,545,392	1,186,850	1,186,850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	7,449,665	191,454	7,258,210	7,353,938	1,161,593	1,161,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	7,258,210	191,454	7,066,756	7,162,483	1,136,336	1,136,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	7,066,756	191,454	6,875,302	6,971,029	1,111,079	1,111,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	6,875,302	191,454	6,683,847	6,779,575	1,085,822	1,085,822	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	6,683,847	191,454	6,492,393	6,588,120	1,060,566	1,060,566	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	6,492,393	191,454	6,300,939	6,396,666	1,035,309	1,035,309	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	6,300,939	191,454	6,109,484	6,205,212	1,010,052	1,010,052	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	6,109,484	191,454	5,918,030	6,013,757	984,795	984,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	5,918,030	191,454	5,726,576	5,822,303	959,538	959,538	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	5,726,576	191,454	5,535,121	5,630,849	934,281	934,281	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	5,535,121	191,454	5,343,667	5,439,394	909,025	909,025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	5,343,667	191,454	5,152,213	5,247,940	883,768	883,768	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	5,152,213	191,454	4,960,758	5,056,486	858,511	858,511	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	4,960,758	191,454	4,769,304	4,865,031	833,254	833,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	4,769,304	191,454	4,577,850	4,673,577	807,997	807,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	4,577,850	191,454	4,386,395	4,482,123	782,740	782,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	4,386,395	191,454	4,194,941	4,290,668	757,483	757,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	4,194,941	191,454	4,003,487	4,099,214	732,227	732,227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	4,003,487	191,454	3,812,032	3,907,760	706,970	706,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	3,812,032	191,454	3,620,578	3,716,305	681,713	681,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	3,620,578	191,454	3,429,124	3,524,851	656,456	656,456	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	3,429,124	191,454	3,237,669	3,333,397	631,199	631,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	3,237,669	191,454	3,046,215	3,141,942	605,942	605,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	3,046,215	191,454	2,854,761	2,950,488	580,686	580,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	2,854,761	191,454	2,663,306	2,759,034	555,429	555,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	2,663,306	191,454	2,471,852	2,567,579	530,172	530,172	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	2,471,852	191,454	2,280,398	2,376,125	504,915	504,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	2,280,398	191,454	2,088,943	2,184,671	479,658	479,658	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	2,088,943	191,454	1,897,489	1,993,216	454,401	454,401	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	1,897,489	191,454	1,706,035	1,801,762	429,145	429,145	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	1,706,035	191,454	1,514,580	1,610,308	403,888	403,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		11,295,806			68,733,792	68,733,792	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b2018 (Loop Conesville-Bixby 345 kV circuit into Ohio Central)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	294,473	294,473	-
Prior Yr True-Up	315,792	315,792	-
True-Up Adjustment	21,319	21,319	-

Details		2014
Investment	2,164,734	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	67	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't.From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't.From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	2,164,734	-	2,164,734	2,164,734	285,574	285,574	\$ -	\$ 0	\$ 285,574	\$ 0	\$ 285,574	\$ -
2014	2,164,734	32,352	2,132,382	2,148,558	315,792	315,792	\$ -	\$ 294,473	\$ 21,319	\$ 294,473	\$ 21,319	\$ -
2015	2,132,382	32,352	2,100,029	2,116,205	311,524	311,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	2,100,029	32,352	2,067,677	2,083,853	307,256	307,256	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	2,067,677	32,352	2,035,324	2,051,500	302,988	302,988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	2,035,324	32,352	2,002,972	2,019,148	298,720	298,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	2,002,972	32,352	1,970,619	1,986,795	294,452	294,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	1,970,619	32,352	1,938,267	1,954,443	290,185	290,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	1,938,267	32,352	1,905,914	1,922,090	285,917	285,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	1,905,914	32,352	1,873,562	1,889,738	281,649	281,649	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	1,873,562	32,352	1,841,209	1,857,385	277,381	277,381	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	1,841,209	32,352	1,808,857	1,825,033	273,113	273,113	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	1,808,857	32,352	1,776,504	1,792,681	268,845	268,845	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	1,776,504	32,352	1,744,152	1,760,328	264,577	264,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	1,744,152	32,352	1,711,799	1,727,976	260,309	260,309	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	1,711,799	32,352	1,679,447	1,695,623	256,041	256,041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	1,679,447	32,352	1,647,094	1,663,271	251,773	251,773	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	1,647,094	32,352	1,614,742	1,630,918	247,505	247,505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	1,614,742	32,352	1,582,389	1,598,566	243,237	243,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	1,582,389	32,352	1,550,037	1,566,213	238,969	238,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	1,550,037	32,352	1,517,684	1,533,861	234,701	234,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	1,517,684	32,352	1,485,332	1,501,508	230,433	230,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	1,485,332	32,352	1,452,980	1,469,156	226,165	226,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	1,452,980	32,352	1,420,627	1,436,803	221,897	221,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	1,420,627	32,352	1,388,275	1,404,451	217,629	217,629	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	1,388,275	32,352	1,355,922	1,372,098	213,361	213,361	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	1,355,922	32,352	1,323,570	1,339,746	209,093	209,093	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	1,323,570	32,352	1,291,217	1,307,393	204,825	204,825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	1,291,217	32,352	1,258,865	1,275,041	200,557	200,557	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	1,258,865	32,352	1,226,512	1,242,688	196,289	196,289	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	1,226,512	32,352	1,194,160	1,210,336	192,021	192,021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	1,194,160	32,352	1,161,807	1,177,983	187,753	187,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	1,161,807	32,352	1,129,455	1,145,631	183,485	183,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	1,129,455	32,352	1,097,102	1,113,279	179,217	179,217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	1,097,102	32,352	1,064,750	1,080,926	174,949	174,949	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	1,064,750	32,352	1,032,397	1,048,574	170,681	170,681	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	1,032,397	32,352	1,000,045	1,016,221	166,413	166,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	1,000,045	32,352	967,692	983,869	162,145	162,145	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	967,692	32,352	935,340	951,516	157,877	157,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	935,340	32,352	902,987	919,164	153,609	153,609	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	902,987	32,352	870,635	886,811	149,341	149,341	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	870,635	32,352	838,282	854,459	145,074	145,074	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	838,282	32,352	805,930	822,106	140,806	140,806	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	805,930	32,352	773,578	789,754	136,538	136,538	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	773,578	32,352	741,225	757,401	132,270	132,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	741,225	32,352	708,873	725,049	128,002	128,002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	708,873	32,352	676,520	692,696	123,734	123,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	676,520	32,352	644,168	660,344	119,466	119,466	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	644,168	32,352	611,815	627,991	115,198	115,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	611,815	32,352	579,463	595,639	110,930	110,930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	579,463	32,352	547,110	563,286	106,662	106,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	547,110	32,352	514,758	530,934	102,394	102,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	514,758	32,352	482,405	498,581	98,126	98,126	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	482,405	32,352	450,053	466,229	93,858	93,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	450,053	32,352	417,700	433,877	89,590	89,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	417,700	32,352	385,348	401,524	85,322	85,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	385,348	32,352	352,995	369,172	81,054	81,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	352,995	32,352	320,643	336,819	76,786	76,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	320,643	32,352	288,290	304,467	72,518	72,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	288,290	32,352	255,938	272,114	68,250	68,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		1,908,796			11,614,824	11,614,824	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b2021 (Add 345/138 kV Transformers at Sporn, Kanawha River, and Muskingum River stations)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	2,052,447	2,052,447	-
Prior Yr True-Up	2,721,355	2,721,355	-
True-Up Adjustment	668,908	668,908	-

Details		2014	2014
Investment	20,628,672	Current Year	2014
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	13.19%
Useful life	67	FCR w/incentives approved for these facilities, less dep.	13.19%
CIAC (Yes or No)	No	Annual Depreciation Expense	308,301

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2014	20,628,672	-	20,628,672	20,628,672	2,721,355	2,721,355	\$ -	\$ 2,052,447	\$ 668,908	\$ 2,052,447	\$ 668,908	\$ -
2015	20,628,672	308,301	20,320,371	20,474,522	3,009,320	3,009,320	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	20,320,371	308,301	20,012,071	20,166,221	2,968,648	2,968,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	20,012,071	308,301	19,703,770	19,857,921	2,927,977	2,927,977	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	19,703,770	308,301	19,395,470	19,549,620	2,887,306	2,887,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	19,395,470	308,301	19,087,169	19,241,320	2,846,634	2,846,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	19,087,169	308,301	18,778,869	18,933,019	2,805,963	2,805,963	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	18,778,869	308,301	18,470,568	18,624,719	2,765,292	2,765,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	18,470,568	308,301	18,162,268	18,316,418	2,724,620	2,724,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	18,162,268	308,301	17,853,967	18,008,118	2,683,949	2,683,949	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	17,853,967	308,301	17,545,667	17,699,817	2,643,278	2,643,278	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	17,545,667	308,301	17,237,366	17,391,517	2,602,606	2,602,606	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	17,237,366	308,301	16,929,066	17,083,216	2,561,935	2,561,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	16,929,066	308,301	16,620,765	16,774,916	2,521,264	2,521,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	16,620,765	308,301	16,312,465	16,466,615	2,480,593	2,480,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	16,312,465	308,301	16,004,164	16,158,314	2,439,921	2,439,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	16,004,164	308,301	15,695,864	15,850,014	2,399,250	2,399,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	15,695,864	308,301	15,387,563	15,541,713	2,358,579	2,358,579	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	15,387,563	308,301	15,079,263	15,233,413	2,317,907	2,317,907	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	15,079,263	308,301	14,770,962	14,925,112	2,277,236	2,277,236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	14,770,962	308,301	14,462,662	14,616,812	2,236,565	2,236,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	14,462,662	308,301	14,154,361	14,308,511	2,195,893	2,195,893	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	14,154,361	308,301	13,846,061	14,000,211	2,155,222	2,155,222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	13,846,061	308,301	13,537,760	13,691,910	2,114,551	2,114,551	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	13,537,760	308,301	13,229,460	13,383,610	2,073,879	2,073,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	13,229,460	308,301	12,921,159	13,075,309	2,033,208	2,033,208	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	12,921,159	308,301	12,612,859	12,767,009	1,992,537	1,992,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	12,612,859	308,301	12,304,558	12,458,708	1,951,866	1,951,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	12,304,558	308,301	11,996,258	12,150,408	1,911,194	1,911,194	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	11,996,258	308,301	11,687,957	11,842,107	1,870,523	1,870,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	11,687,957	308,301	11,379,656	11,533,807	1,829,852	1,829,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	11,379,656	308,301	11,071,356	11,225,506	1,789,180	1,789,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	11,071,356	308,301	10,763,055	10,917,206	1,748,509	1,748,509	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	10,763,055	308,301	10,454,755	10,608,905	1,707,838	1,707,838	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	10,454,755	308,301	10,146,454	10,300,605	1,667,166	1,667,166	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	10,146,454	308,301	9,838,154	9,992,304	1,626,495	1,626,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	9,838,154	308,301	9,529,853	9,684,004	1,585,824	1,585,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	9,529,853	308,301	9,221,553	9,375,703	1,545,152	1,545,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	9,221,553	308,301	8,913,252	9,067,403	1,504,481	1,504,481	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	8,913,252	308,301	8,604,952	8,759,102	1,463,810	1,463,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	8,604,952	308,301	8,296,651	8,450,802	1,423,139	1,423,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	8,296,651	308,301	7,988,351	8,142,501	1,382,467	1,382,467	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	7,988,351	308,301	7,680,050	7,834,201	1,341,796	1,341,796	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	7,680,050	308,301	7,371,750	7,525,900	1,301,125	1,301,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	7,371,750	308,301	7,063,449	7,217,599	1,260,453	1,260,453	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	7,063,449	308,301	6,755,149	6,909,299	1,219,782	1,219,782	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	6,755,149	308,301	6,446,848	6,600,998	1,179,111	1,179,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	6,446,848	308,301	6,138,548	6,292,698	1,138,439	1,138,439	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	6,138,548	308,301	5,830,247	5,984,397	1,097,768	1,097,768	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	5,830,247	308,301	5,521,947	5,676,097	1,057,097	1,057,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	5,521,947	308,301	5,213,646	5,367,796	1,016,425	1,016,425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	5,213,646	308,301	4,905,346	5,059,496	975,754	975,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	4,905,346	308,301	4,597,045	4,751,195	935,083	935,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	4,597,045	308,301	4,288,745	4,442,895	894,412	894,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	4,288,745	308,301	3,980,444	4,134,594	853,740	853,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	3,980,444	308,301	3,672,144	3,826,294	813,069	813,069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	3,672,144	308,301	3,363,843	3,517,993	772,398	772,398	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	3,363,843	308,301	3,055,542	3,209,693	731,726	731,726	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	3,055,542	308,301	2,747,242	2,901,392	691,055	691,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	2,747,242	308,301	2,438,941	2,593,092	650,384	650,384	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		18,189,731			110,682,602	110,682,602	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b2032 (Rebuild 138 kV Elliott Tap-Poston line)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	2,808,368	2,808,368	-
Prior Yr True-Up	511,818	511,818	-
True-Up Adjustment	(2,296,550)	(2,296,550)	-

Details		2014
Investment	3,779,745	Current Year
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	9	FCR w/o incentives, less depreciation
Useful life	67	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2014	3,779,745	14,122	3,765,623	3,772,684	511,818	511,818	\$ -	\$ 2,808,368	\$ (2,296,550)	\$ 2,808,368	\$ (2,296,550)	\$ -
2015	3,765,623	56,489	3,709,133	3,737,378	549,528	549,528	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	3,709,133	56,489	3,652,644	3,680,889	542,076	542,076	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	3,652,644	56,489	3,596,155	3,624,400	534,624	534,624	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	3,596,155	56,489	3,539,666	3,567,910	527,171	527,171	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	3,539,666	56,489	3,483,177	3,511,421	519,719	519,719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	3,483,177	56,489	3,426,687	3,454,932	512,267	512,267	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	3,426,687	56,489	3,370,198	3,398,443	504,815	504,815	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	3,370,198	56,489	3,313,709	3,341,954	497,363	497,363	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	3,313,709	56,489	3,257,220	3,285,464	489,911	489,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	3,257,220	56,489	3,200,731	3,228,975	482,459	482,459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	3,200,731	56,489	3,144,241	3,172,486	475,007	475,007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	3,144,241	56,489	3,087,752	3,115,997	467,555	467,555	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	3,087,752	56,489	3,031,263	3,059,508	460,102	460,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	3,031,263	56,489	2,974,774	3,003,018	452,650	452,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	2,974,774	56,489	2,918,285	2,946,529	445,198	445,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	2,918,285	56,489	2,861,795	2,890,040	437,746	437,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	2,861,795	56,489	2,805,306	2,833,551	430,294	430,294	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	2,805,306	56,489	2,748,817	2,777,062	422,842	422,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	2,748,817	56,489	2,692,328	2,720,572	415,390	415,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	2,692,328	56,489	2,635,839	2,664,083	407,938	407,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	2,635,839	56,489	2,579,349	2,607,594	400,486	400,486	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	2,579,349	56,489	2,522,860	2,551,105	393,033	393,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	2,522,860	56,489	2,466,371	2,494,616	385,581	385,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	2,466,371	56,489	2,409,882	2,438,126	378,129	378,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	2,409,882	56,489	2,353,393	2,381,637	370,677	370,677	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	2,353,393	56,489	2,296,903	2,325,148	363,225	363,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	2,296,903	56,489	2,240,414	2,268,659	355,773	355,773	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	2,240,414	56,489	2,183,925	2,212,169	348,321	348,321	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	2,183,925	56,489	2,127,436	2,155,680	340,869	340,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	2,127,436	56,489	2,070,946	2,099,191	333,417	333,417	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	2,070,946	56,489	2,014,457	2,042,702	325,964	325,964	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	2,014,457	56,489	1,957,968	1,986,213	318,512	318,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	1,957,968	56,489	1,901,479	1,929,723	311,060	311,060	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	1,901,479	56,489	1,844,990	1,873,234	303,608	303,608	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	1,844,990	56,489	1,788,500	1,816,745	296,156	296,156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	1,788,500	56,489	1,732,011	1,760,256	288,704	288,704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	1,732,011	56,489	1,675,522	1,703,767	281,252	281,252	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	1,675,522	56,489	1,619,033	1,647,277	273,800	273,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	1,619,033	56,489	1,562,544	1,590,788	266,348	266,348	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	1,562,544	56,489	1,506,054	1,534,299	258,895	258,895	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	1,506,054	56,489	1,449,565	1,477,810	251,443	251,443	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	1,449,565	56,489	1,393,076	1,421,321	243,991	243,991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	1,393,076	56,489	1,336,587	1,364,831	236,539	236,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	1,336,587	56,489	1,280,098	1,308,342	229,087	229,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	1,280,098	56,489	1,223,608	1,251,853	221,635	221,635	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	1,223,608	56,489	1,167,119	1,195,364	214,183	214,183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	1,167,119	56,489	1,110,630	1,138,875	206,731	206,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	1,110,630	56,489	1,054,141	1,082,385	199,279	199,279	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	1,054,141	56,489	997,652	1,025,896	191,826	191,826	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	997,652	56,489	941,162	969,407	184,374	184,374	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	941,162	56,489	884,673	912,918	176,922	176,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	884,673	56,489	828,184	856,428	169,470	169,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	828,184	56,489	771,695	799,939	162,018	162,018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	771,695	56,489	715,205	743,450	154,566	154,566	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	715,205	56,489	658,716	686,961	147,114	147,114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	658,716	56,489	602,227	630,472	139,662	139,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	602,227	56,489	545,738	573,982	132,210	132,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	545,738	56,489	489,249	517,493	124,757	124,757	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	489,249	56,489	432,759	461,004	117,305	117,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		3,346,986			20,183,395	20,183,395	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet L Supporting Projected Cost of Debt
 AEP OHIO TRANSMISSION COMPANY

Calculation of Projected Interest Expense Based on Outstanding Debt at Year End

<u>Line Number</u>	<u>(A) Issuance</u>	<u>(B) Principle Outstanding</u>	<u>(C) Interest Rate</u>	<u>(D) Annual Expense (See Note S on Projected Template)</u>
1	Long Term Debt (FF1.p. 256-257, a,h)			
2	Bonds - Acc 221			-
3				-
4				-
5				-
6	Reacquired Bonds - Total Account 222			-
7				-
8				-
9				-
10	Advances from Assoc Companies			-
11	Senior Notes, Series A, Tranche A, 3.30%	83,200,000	3.300%	2,745,600
12	Senior Notes, Series A, Tranche B, 4.00%	68,000,000	4.000%	2,720,000
13	Senior Notes, Series A, Tranche C, 4.73%	48,800,000	4.730%	2,308,240
14	Senior Notes, Series A, Tranche E, 4.83%	10,000,000	4.830%	483,000
15	Senior Notes, Series B, Tranche A, 2.73%	31,500,000	2.730%	859,950
16	Senior Notes, Series B, Tranche B, 4.05%	37,800,000	4.050%	1,530,900
17	Senior Notes, Series B, Tranche C, 4.38%	37,800,000	4.380%	1,655,640
18	Senior Notes, Series B, Tranche D, 5.32%	63,000,000	5.320%	3,351,600
19	Senior Notes, Series B, Tranche E, 5.42%	18,900,000	5.420%	1,024,380
20	Senior Notes, Series B, Tranche F, 5.52%	43,000,000	5.520%	2,373,600
21	Senior Notes, Series B, Tranche A, 2.68%	33,900,000	2.680%	908,520
22	Senior Notes, Series B, Tranche B, 3.18%	20,000,000	3.180%	636,000
23	Senior Notes, Series B, Tranche C, 3.56%	37,900,000	3.560%	1,349,240
24	Senior Notes, Series B, Tranche F, 3.81%	21,900,000	3.810%	834,390
25	Senior Notes, Series B, Tranche H, 4.05%	8,400,000	4.050%	340,200
26	Senior Notes, Series B, Tranche I, 4.53%	16,000,000	4.530%	724,800
27				-
28	Other Long Term Debt - Acc 224			-
29				-
30				-
31				-
32	Sale/Leaseback (If Applicable)	-	0.00%	-
33	<u>Issuance Discount, Premium, & Expenses:</u>			
34	Auction Fees	FF1.p. 256 & 257.Lines Described as Fees		-
35	Amort of Debt Discount and Expenses	FF1.p. 117.63.c		164,206
36	Less: Amort of Debt Premiums	FF1.p. 117.65.c		-
37	<u>Reacquired Debt:</u>			
38	Amortization of Loss	FF1.p. 117.64.c		-
39	Less: Amortization of Gain	FF1.p. 117.66.c		-
40	Total Interest on Long Term Debt	580,100,000	4.14%	24,010,266
41	Preferred Stock (FF1.p. 250-251)	Preferred Shares Outstanding		
42				-
43				-
44				-
45				-
46				-
47				-
48				-
49				-
50	Dividends on Preferred Stock	-	0.00%	-

NOTE: All interest rate hedging gains/losses shall be excluded from long term debt expense.

Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital Based on Average of Balances At 12/31/2013 & 12/31/2014

(A)	(B)	(C) Balances @ 12/31/2014	(D) Balances @ 12/31/2013	(E) Average
Development of Average Balance of Common Equity				
1	Proprietary Capital (112.16.c&d)	610,634,962	388,422,070	499,528,516
2	Less: Preferred Stock (Ln 48 Below)	-	-	-
3	Less Account 216.1 (112.12.c&d)	-	-	-
4	Less Account 219.1 (112.15.c&d)	-	-	-
5	Average Balance of Common Equity	610,634,962	388,422,070	499,528,516

Development of Cost of Long Term Debt Based on Average Outstanding Balance				
6	Bonds (112.18.c&d)	-	-	-
7	Less: Reacquired Bonds (112.19.c&d)	-	-	-
8	LT Advances from Assoc. Companies (112.20.c&d)	580,100,000	380,100,000	480,100,000
9	Senior Unsecured Notes (112.21.c&d)	-	-	-
10	Less: Fair Value Hedges (See Note on Ln 12 below)	-	-	-
11	Total Average Debt	580,100,000	380,100,000	480,100,000

12 NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (Page 257, Column H of the FF1)

13 Annual Interest Expense for 2014				
14	Interest on Long Term Debt (256-257.33.i)			17,365,815
	Less: Total Hedge (Gain)/Expense Accumulated from p 256-257, col (i) of FERC Form			-
15	1 included in Ln 14 and shown in Ln 32 below.			-
16	Amort of Debt Discount & Expense (117.63.c)			164,206
17	Amort of Loss on Reacquired Debt (117.64.c)			-
18	Less: Amort of Premium on Debt (117.65.c)			-
19	Less: Amort of Gain on Reacquired Debt (117.66.c)			-
20	Total Interest Expense (Ln 14 - Ln 15 + Ln 16 + Ln 17 - Ln 18 - Ln 19)			17,530,021
21	Average Cost of Debt for 2014 (Ln 20/Ln 11)			3.65%

CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCLUDED FROM TCOS

22 AEP OHIO TRANSMISSION COMPANY may not include costs (or gains) related to interest hedging activities

	HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	(Amortization of (Gain)/Loss for 2014	Remaining Unamortized Balance	Amortization Period	
				Beginning	Ending
23					
24					
25					
26					
27					
28					
29					
30					
31					

32 Net (Gain)/Loss Hedge Amortization To Be Removed -

Development of Cost of Preferred Stock

				Average
Preferred Stock				
33	0% Series - Dividend Rate (p. 250-251. 7 & 10.a)			
34	0% Series - Par Value (p. 250-251. 8.c)			
35	0% Series - Shares O/S (p.250-251. 8 & 11.e)			
36	0% Series - Monetary Value (Ln 34 * Ln 35)	-	-	-
37	0% Series - Dividend Amount (Ln 33 * Ln 36)	-	-	-
38	0% Series - Dividend Rate (p. 250-251.a)			
39	0% Series - Par Value (p. 250-251.c)			
40	0% Series - Shares O/S (p.250-251. e)			
41	0% Series - Monetary Value (Ln 39 * Ln 40)	-	-	-
42	0% Series - Dividend Amount (Ln 38 * Ln 41)	-	-	-
43	0% Series - Dividend Rate (p. 250-251.a)			
44	0% Series - Par Value (p. 250-251.c)			
45	0% Series - Shares O/S (p.250-251.e)			
46	0% Series - Monetary Value (Ln 44 * Ln 45)	-	-	-
47	0% Series - Dividend Amount (Ln 43 * Ln 46)	-	-	-
48	Balance of Preferred Stock (Lns 36, 41, 46)	-	-	-
49	Dividends on Preferred Stock (Lns 37, 42, 47)	-	-	-
50	Average Cost of Preferred Stock (Ln 49/48)	0.00%	0.00%	0.00%

- Year End Total Agrees to FF1 p.112, Ln 3, col (c) & (d)

**AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use
 AEP OHIO TRANSMISSION COMPANY**

Note: Gain or loss on plant held for future are recorded in accounts 411.6 or 411.7 respectively. Sales will be funtionalized based on the description of that asset. Sales of transmission assets will be direct assigned; sales of general assets will be functionalized on labor. Sales of plant held for future use related to generation or distribution will not be included in the formula.

Line	(A) Date	(B) Property Description	(C) Function (T) or (G) T = Transmission G = General	(D) Basis	(E) Proceeds	(F) (Gain) / Loss	(G) Functional Allocator	(H) Functionalized Proceeds (Gain) / Loss	(I) FERC Account
1						-	0.000%	-	
2						-	0.000%	-	
3						-	0.000%	-	
4				Net (Gain) or Loss for 2014		-		-	

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Calculation of Post-employment Benefits Other than Pensions Expenses Allocable to Transmission Service
 Worksheet O - PBOP Support
 AEP OHIO TRANSMISSION COMPANY

PBOP	(A)	(B)
1	<u>Calculation of PBOP Expenses</u>	
2	<u>AEP System PBOP Rate</u>	
3	Total AEP System PBOP expenses	-\$76,811,513
4	Base Year relating to retired personnel	\$0
5	Amount allocated on Labor	-\$76,811,513
6	Total AEP System Direct Labor Expense	\$1,252,531,222
7	AEP System PBOP expense per dollar of direct labor (PBOP Rate)	-\$0.061
8	Currently Approved PBOP Rate	-\$0.058
9	Base PBOP TransCo labor expensed in current year	1,316,355
10	Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9)	-\$76,349
11	Direct PBOP Expense per Actuarial Report	\$0
12	Additional PBOP Ledger Entry (From Company Records)	\$0
13	Medicare Credit	\$0
14	PBOP Expenses From AEP Affiliates (From Company Records)	-\$53,385
15	Actual PBOP Expense (Sum Lines 11-14)	-\$53,385
16	PBOP Adjustment Line 10 less Line 15	-\$22,964

AEPTCo subsidiaries in PJM
 Worksheet - P
 DEPRECIATION RATES
 FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
 EFFECTIVE AS OF July 1, 2014

AEP OHIO TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Land Rights	350.1	1.49%
Structures & Improvements	352.0	1.53%
Station Equipment	353.0	1.78%
Towers & Fixtures	354.0	1.48%
Poles & Fixtures	355.0	2.30%
Overhead Conductor	356.0	1.42%
Underground Conduit	357.0	1.50%
Underground Conductors	358.0	2.15%
Roads & Trails	359.0	1.60%

Note: Per the Settlement in Docket No. ER10-355, Appendix A.1.2, AEP OHIO TRANSMISSION COMPANY shall use the depreciation rates shown above by FERC Account until such time as the FERC approves new depreciation rates pursuant to a Section 205 or 206 filing to change rates.

	<u>CSP</u>	<u>OPCo</u>	<u>TOTAL</u>
1 Composite Depreciation Rate			
1 T-Plant (FF1 206.58.g)	619,883,849	1,164,351,684	1,784,235,533
2 T-Plant (FF1 206.58.b)	570,478,232	1,109,431,387	1,679,909,619
3 Average (Ln 1+ Ln 2)/2	595,181,041	1,136,891,536	1,732,072,576
4 Depreciation (FF1 336.7.f)	12,769,913	25,505,773	38,275,686
5 Composite Depreciation (Ln 3 / Ln 4)			2.21%

Note: AEP OHIO TRANSMISSION COMPANY shall initially use the composite depreciation rate for CSP and OPCo shown above to estimate depreciation expense for transmission projects in Worksheets I, J, and K until a composite depreciation rate based on transmission plant in service and depreciation expenses recorded by AEP OHIO TRANSMISSION COMPANY for its own transmission facilities can be calculated in AEP OHIO TRANSMISSION COMPANY's the first Annual Update including a True-Up TCOS.

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Capital Structure @ December 31, 2014
Worksheet Q Page 1

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Long Term Debt Balances at Year End							
1 Bonds (112.18.c&d)	367,622,368	-	-	-	-	-	367,622,368
2 Less: Reacquired Bonds (112.19.c&d)	-	40,000,000	-	-	345,400,000	-	385,400,000
3 LT Advances from Assoc. Companies (112.20.c&d)	86,000,000	-	-	20,000,000	-	25,000,000	131,000,000
4 Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund	3,534,821,976	1,628,907,909	820,000,000	-	2,415,019,994	-	8,398,749,879
5 Less: Fair Value Hedges (See Note on Ln 7 below)	-	-	-	-	-	-	-
6 Total Long Term Debt Balance	3,988,444,344	1,588,907,909	820,000,000	20,000,000	2,069,619,994	25,000,000	8,511,972,247
7 NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (page 257, Column H of the FF1)							
Development of Long Term Debt Interest Expense							
8 Interest on Long Term Debt (256-257.33.i)	198,433,109	82,484,400	38,642,264	904,000	121,704,036	1,312,500	443,480,309
9 Amort of Debt Discount & Expense (117.63.c)	3,105,002	2,188,650	517,866	-	1,580,870	-	7,392,388
10 Amort of Loss on Reacquired Debt (117.64.c)	7,213,006	8,235,783	33,635	-	1,338,683	-	16,821,107
11 Less: Amort of Premium on Debt (117.65.c)	-	-	-	-	-	-	-
12 Less: Amort of Gain on Reacquired Debt (117.66.c)	-	1,712	-	-	-	-	1,712
13 Less: Hedge Interest on pp 256-257(i)	1,240,531	806,279	92,956	-	(2,097,663)	-	42,103
14 LTD Interest Expense	207,510,586	92,100,842	39,100,809	904,000	126,721,252	1,312,500	467,649,989
Development of Cost of Preferred Stock and Preferred Dividends							
15 Dividend Rate (p. 250-251. 7.a)	4.50%	4.125%	-	-	4.08%	-	-
16 Par Value (p. 250-251. 8.c)	\$ 100.00	\$ 100.00	-	-	\$ 100.00	-	-
17 Shares Outstanding (p.250-251. 8.e)	-	-	-	-	-	-	-
18 Monetary Value (Ln 16 * Ln 17)	-	-	-	-	-	-	-
19 Dividend Amount (Ln 15 * Ln 18)	-	-	-	-	-	-	-
20 Dividend Rate (p. 250-251. 7.a)	-	4.12%	-	-	4.20%	-	-
21 Par Value (p. 250-251. 8.c)	-	\$ 100.00	-	-	\$ 100.00	-	-
22 Shares Outstanding (p.250-251. 8.e)	-	-	-	-	-	-	-
23 Monetary Value (Ln 21 * Ln 22)	-	-	-	-	-	-	-
24 Dividend Amount (Ln 20 * Ln 23)	-	-	-	-	-	-	-
25 Dividend Rate (p. 250-251. 7.a)	-	4.56%	-	-	4.40%	-	-
26 Par Value (p. 250-251. 8.c)	-	\$ 100.00	-	-	\$ 100.00	-	-
27 Shares Outstanding (p.250-251. 8.e)	-	-	-	-	-	-	-
28 Monetary Value (Ln 26 * Ln 27)	-	-	-	-	-	-	-
29 Dividend Amount (Ln 25 * Ln 28)	-	-	-	-	-	-	-
30 Dividend Rate (p. 250-251. 7.a)	-	-	-	-	4.50%	-	-
31 Par Value (p. 250-251. 8.c)	-	-	-	-	\$ 100.00	-	-
32 Shares Outstanding (p.250-251. 8.e)	-	-	-	-	-	-	-
33 Monetary Value (Ln 31 * Ln 32)	-	-	-	-	-	-	-
34 Dividend Amount (Ln 30 * Ln 33)	-	-	-	-	-	-	-
35 Preferred Stock (Lns 18, 23, 28,33)	-	-	-	-	-	-	-
36 Preferred Dividends (Lns 19, 24, 29,34)	-	-	-	-	-	-	-
Development of Common Equity							
37 Proprietary Capital (112.16.c)	3,366,927,928	1,953,950,018	663,642,997	31,277,290	1,980,209,844	98,472,987	8,094,481,064
38 Less: Preferred Stock (Ln 35 Above)	-	-	-	-	-	-	-
39 Less: Account 216.1 (112.12.c)	1,649,787	(33,162)	-	-	4,915,704	-	6,532,329
40 Less: Account 219.1 (112.15.c)	5,031,962	(14,359,735)	(7,335,603)	-	5,601,842	772,181	(10,289,353)
41 Balance of Common Equity	3,360,246,179	1,968,342,915	670,978,600	31,277,290	1,969,692,298	97,700,806	8,098,238,088
Calculation of Capital Shares							
42 Long Term Debt (Ln 6 Above)	3,988,444,344	1,588,907,909	820,000,000	20,000,000	2,069,619,994	25,000,000	8,511,972,247
43 Preferred Stock (Ln 35 Above)	-	-	-	-	-	-	-
44 Common Equity (Ln 41 Above)	3,360,246,179	1,968,342,915	670,978,600	31,277,290	1,969,692,298	97,700,806	8,098,238,088
45 Total Company Structure	7,348,690,523	3,557,250,824	1,490,978,600	51,277,290	4,039,312,292	122,700,806	16,610,210,335
46 LTD Capital Shares (Ln 42 / Ln 45)	54.27%	44.67%	55.00%	39.00%	51.24%	20.37%	51.25%
47 Preferred Stock Capital Shares (Ln 43 / Ln 45)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
48 Common Equity Capital Shares (Ln 44 / Ln 45)	45.73%	55.33%	45.00%	61.00%	48.76%	79.63%	48.75%
49 Equity Capital Share Limit	100.00%	100.00%	100.00%	100.00%	51.00%	100.00%	50.00%
50 LTD Capital Shares with Capital Equity Cap	54.27%	44.67%	55.00%	39.00%	51.24%	20.37%	51.25%
51 Preferred Stock Capital Shares	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
52 Common Equity Capital Shares with Capital Equity Cap	45.73%	55.33%	45.00%	61.00%	48.76%	79.63%	48.75%
Calculation of Capital Cost Rate							
53 LTD Capital Cost Rate (Ln 14 / Ln 6)	5.20%	5.80%	4.77%	4.52%	6.12%	5.25%	5.49%
54 Preferred Stock Capital Cost Rate (Ln 36 / Ln 35)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
55 Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
56 LTD Weighted Capital Cost Rate (Ln 50 * Ln 53)	2.82%	2.59%	2.62%	1.76%	3.14%	1.07%	2.82%
57 Preferred Stock Capital Cost Rate (Ln 51 * Ln 54)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
58 Common Equity Capital Cost Rate (Ln 52 * Ln 55)	5.25%	6.36%	5.17%	7.01%	5.60%	9.15%	5.60%
59 Total Company Structure	8.08%	8.95%	7.79%	8.77%	8.74%	10.22%	8.42%

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Capital Structure @ December 31, 2013
Worksheet Q Page 2

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Long Term Debt Balances at Year End							
60 Bonds (112.18.c&d)	380,300,000	-	-	-	-	-	380,300,000
61 Less: Reacquired Bonds (112.19.c&d)	-	40,000,000	-	-	460,400,000	-	500,400,000
62 LT Advances from Assoc. Companies (112.20.c&d)	86,000,000	-	20,000,000	20,000,000	-	25,000,000	151,000,000
63 Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund	3,734,854,787	1,640,281,142	730,000,000	-	2,933,684,996	-	9,038,820,925
64 Less: Fair Value Hedges (See Note on Ln 66 below)	-	-	-	-	-	-	-
65 Total Long Term Debt Balance	4,201,154,787	1,600,281,142	750,000,000	20,000,000	2,473,284,996	25,000,000	9,069,720,925
66 NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (p. 257, Column H of the FF1)							
Development of Long Term Debt Interest Expense							
67 Interest on Long Term Debt (256-257.33.i)	185,202,116	92,594,357	35,048,706	904,000	177,049,876	1,312,500	492,111,555
68 Amort of Debt Discount & Expense (117.63.c)	3,337,225	2,814,644	471,186	-	5,807,092	-	12,430,147
69 Amort of Loss on Reacquired Debt (117.64.c)	1,347,335	1,941,251	33,649	-	1,359,637	-	4,681,872
70 Less: Amort of Premium on Debt (117.65.c)	-	-	-	-	-	-	-
71 Less: Amort of Gain on Reacquired Debt (117.66.c)	-	1,712	-	-	-	-	1,712
72 Less: Hedge Interest on pp 256-257(i)	1,558,935	916,010	92,956	-	(2,097,663)	-	470,238
73 LTD Interest Expense	188,327,741	96,432,530	35,460,585	904,000	186,314,268	1,312,500	508,751,624
Development of Cost of Preferred Stock and Preferred Dividends							
74 Dividend Rate (p. 250-251. 7.a)	4.50%	4.125%	-	-	4.08%	-	-
75 Par Value (p. 250-251. 8.c)	\$ 100.00	\$ 100.00	-	-	\$ 100.00	-	-
76 Shares Outstanding (p.250-251. 8.e)	-	-	-	-	-	-	-
77 Monetary Value (Ln 75 * Ln 76)	-	-	-	-	-	-	-
78 Dividend Amount (Ln 74 * Ln 77)	-	-	-	-	-	-	-
79 Dividend Rate (p. 250-251. 7.a)	-	4.12%	-	-	4.20%	-	-
80 Par Value (p. 250-251. 8.c)	-	\$ 100.00	-	-	\$ 100.00	-	-
81 Shares Outstanding (p.250-251. 8.e)	-	-	-	-	-	-	-
82 Monetary Value (Ln 80 * Ln 81)	-	-	-	-	-	-	-
83 Dividend Amount (Ln 79 * Ln 82)	-	-	-	-	-	-	-
84 Dividend Rate (p. 250-251. 7.a)	-	4.56%	-	-	4.40%	-	-
85 Par Value (p. 250-251. 8.c)	-	\$ 100.00	-	-	\$ 100.00	-	-
86 Shares Outstanding (p.250-251. 8.e)	-	-	-	-	-	-	-
87 Monetary Value (Ln 85 * Ln 86)	-	-	-	-	-	-	-
88 Dividend Amount (Ln 84 * Ln 87)	-	-	-	-	-	-	-
89 Dividend Rate (p. 250-251. 7.a)	-	-	-	-	4.50%	-	-
90 Par Value (p. 250-251. 8.c)	-	-	-	-	\$ 100.00	-	-
91 Shares Outstanding (p.250-251. 8.e)	-	-	-	-	-	-	-
92 Monetary Value (Ln 90 * Ln 91)	-	-	-	-	-	-	-
93 Dividend Amount (Ln 89 * Ln 92)	-	-	-	-	-	-	-
94 Preferred Stock (Lns 77, 82, 87,92)	-	-	-	-	-	-	-
95 Preferred Dividends (Lns 78, 83, 88,93)	-	-	-	-	-	-	-
Development of Common Equity							
96 Proprietary Capital (112.16.c)	3,231,334,227	1,922,153,922	839,369,490	31,081,849	1,625,265,129	120,225,152	7,769,429,769
97 Less: Preferred Stock (Ln 94 Above)	-	-	-	-	-	-	-
98 Less: Account 216.1 (112.12.c)	1,639,734	(96,036)	-	-	4,915,704	-	6,459,402
99 Less: Account 219.1 (112.15.c)	2,951,210	(15,508,739)	(5,419,702)	3,296	7,079,463	972,206	(9,922,266)
100 Balance of Common Equity	3,226,743,283	1,937,758,697	844,789,192	31,078,553	1,613,269,962	119,252,946	7,772,892,633
Calculation of Capital Shares							
101 Long Term Debt (Ln 65 Above)	4,201,154,787	1,600,281,142	750,000,000	20,000,000	2,473,284,996	25,000,000	9,069,720,925
102 Preferred Stock (Ln 94 Above)	-	-	-	-	-	-	-
103 Common Equity (Ln 100 Above)	3,226,743,283	1,937,758,697	844,789,192	31,078,553	1,613,269,962	119,252,946	7,772,892,633
104 Total Company Structure	7,427,898,070	3,538,039,839	1,594,789,192	51,078,553	4,086,554,958	144,252,946	16,842,613,558
105 LTD Capital Shares (Ln 101 / Ln 104)	56.56%	45.23%	47.03%	39.16%	60.52%	17.33%	53.85%
106 Preferred Stock Capital Shares (Ln 102 / Ln 104)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
107 Common Equity Capital Shares (Ln 103 / Ln 104)	43.44%	54.77%	52.97%	60.84%	39.48%	82.67%	46.15%
108 Equity Capital Share Limit	100.00%	100.00%	100.00%	100.00%	51.00%	100.00%	50.00%
109 LTD Capital Shares with Capital Equity Cap	56.56%	45.23%	47.03%	39.16%	60.52%	17.33%	53.85%
110 Preferred Stock Capital Shares	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
111 Common Equity Capital Shares with Capital Equity Cap	43.44%	54.77%	52.97%	60.84%	39.48%	82.67%	46.15%
Calculation of Capital Cost Rate							
112 LTD Capital Cost Rate (Ln 73 / Ln 65)	4.48%	6.03%	4.73%	4.52%	7.53%	5.25%	5.61%
113 Preferred Stock Capital Cost Rate (Ln 95 / Ln 94)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
114 Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
115 LTD Weighted Capital Cost Rate (Ln 109 * Ln 112)	2.54%	2.73%	2.22%	1.77%	4.56%	0.91%	3.02%
116 Preferred Stock Capital Cost Rate (Ln 110 * Ln 113)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
117 Common Equity Capital Cost Rate (Ln 111 * Ln 114)	4.99%	6.29%	6.09%	6.99%	4.54%	9.50%	5.30%
118 Total Company Structure	7.53%	9.02%	8.31%	8.76%	9.10%	10.41%	8.32%

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Average Capital Structure
Worksheet Q Page 3

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Average Long Term Debt							
119 Average Bonds (Ln 1 + Ln 60) / 2	373,961,184	-	-	-	-	-	373,961,184
120 Less: Average Reacquired Bonds (Ln 2 + Ln 61) / 2	-	40,000,000	-	-	402,900,000	-	442,900,000
121 Average LT Advances from Assoc. Companies (Ln 3 + Ln 62) / 2	86,000,000	-	10,000,000	20,000,000	-	25,000,000	141,000,000
122 Average Senior Unsecured Notes (Ln 4 + Ln 63) / 2	3,634,838,382	1,634,594,526	775,000,000	-	2,674,352,495	-	8,718,785,402
123 Less: Average Fair Value Hedges (See Note on Ln 125 below)	-	-	-	-	-	-	-
124 Average Balance of Long Term Debt	4,094,799,566	1,594,594,526	785,000,000	20,000,000	2,271,452,495	25,000,000	8,790,846,586
125 NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (p. 257, Column H of the FF1)							
Development of 2014 Long Term Debt Interest Expense							
126 Interest on Long Term Debt (256-257.33.i)	198,433,109	82,484,400	38,642,264	904,000	121,704,036	1,312,500	443,480,309
127 Amort of Debt Discount & Expense (117.63.c)	3,105,002	2,188,650	517,866	-	1,580,870	-	7,392,388
128 Amort of Loss on Reacquired Debt (117.64.c)	7,213,006	8,235,783	33,635	-	1,338,683	-	16,821,107
129 Less: Amort of Premium on Debt (117.65.c)	-	-	-	-	-	-	-
130 Less: Amort of Gain on Reacquired Debt (117.66.c)	-	1,712	-	-	-	-	1,712
131 Less: Hedge Interest on pp 256-257(i)	1,240,531	806,279	92,956	-	(2,097,663)	-	42,103
132 2014 LTD Interest Expense	207,510,586	92,100,842	39,100,809	904,000	126,721,252	1,312,500	467,649,989
2014 Cost of Preferred Stock and Preferred Dividends							
133 Average Balance of Preferred Stock (Ln 35 + Ln 94) / 2	-	-	-	-	-	-	-
134 2014 Preferred Dividends (Ln 36)	-	-	-	-	-	-	-
Development of Average Common Equity							
135 Average Proprietary Capital (Ln 37 + Ln 96) / 2	3,299,131,078	1,938,051,970	751,506,244	31,179,570	1,802,737,487	109,349,070	7,931,955,417
136 Less: Average Preferred Stock (Ln 133 Above)	-	-	-	-	-	-	-
137 Less: Average Account 216.1 (Ln 39 + Ln 98) / 2	1,644,761	(64,599)	-	-	4,915,704	-	6,495,866
138 Less: Average Account 219.1 (Ln 40 + Ln 99) / 2	3,991,586	(14,934,237)	(6,377,653)	1,648	6,340,653	872,194	(10,105,810)
139 Average Balance of Common Equity	3,293,494,731	1,953,050,806	757,883,896	31,177,922	1,791,481,130	108,476,876	7,935,565,361
Calculation of Capital Shares							
140 Average Balance of Long Term Debt (Ln 124 Above)	4,094,799,566	1,594,594,526	785,000,000	20,000,000	2,271,452,495	25,000,000	8,790,846,586
141 Average Balance of Preferred Stock (Ln 133 Above)	-	-	-	-	-	-	-
142 Average Balance of Common Equity (Ln 139 Above)	3,293,494,731	1,953,050,806	757,883,896	31,177,922	1,791,481,130	108,476,876	7,935,565,361
143 Average of Total Company Structure	7,388,294,297	3,547,645,332	1,542,883,896	51,177,922	4,062,933,625	133,476,876	16,726,411,947
144 Average Balance of LTD Capital Shares (Ln 140 / Ln 143)	55.42%	44.95%	50.88%	39.08%	55.91%	18.73%	52.56%
145 Average Balance of Preferred Stock Capital Shares (Ln 141 / Ln 143)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
146 Average Balance of Common Equity Capital Shares (Ln 142 / Ln 143)	44.58%	55.05%	49.12%	60.92%	44.09%	81.27%	47.44%
147 Equity Capital Share Limit	100.00%	100.00%	100.00%	100.00%	51.00%	100.00%	50.00%
148 LTD Capital Shares with Capital Equity Cap	55.42%	44.95%	50.88%	39.08%	55.91%	18.73%	52.56%
149 Preferred Stock Capital Shares	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 Common Equity Capital Shares with Capital Equity Cap	44.58%	55.05%	49.12%	60.92%	44.09%	81.27%	47.44%
Calculation of Capital Cost Rate							
151 LTD Capital Cost Rate (Ln 132 / Ln 124)	5.07%	5.78%	4.98%	4.52%	5.58%	5.25%	5.32%
152 Preferred Stock Capital Cost Rate (Ln 134 / Ln 133)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
153 Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
154 LTD Weighted Capital Cost Rate (Ln 148 * Ln 151)	2.81%	2.60%	2.53%	1.77%	3.12%	0.98%	2.80%
155 Preferred Stock Capital Cost Rate (Ln 149 * Ln 152)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
156 Common Equity Capital Cost Rate (Ln 150 * Ln 153)	5.12%	6.33%	5.64%	7.00%	5.07%	9.34%	5.45%
157 ACTUAL WEIGHTED AVG COST OF CAPITAL	7.93%	8.92%	8.18%	8.77%	8.19%	10.32%	8.25%