



RECENT REGULATORY FILINGS - JANUARY, 2019

Indiana Michigan Power Company – On May 30, 2018, the Indiana Public Service Commission authorized I&M to increase rates to boost its annual revenue by nearly \$96.8 million. As part of a settlement agreement, the projected increase on C&I customers will be about 7%. However, I&M will also be providing a \$4 million credit to customers July 1-December 31, to reflect the impact of the federal tax law changes.

Appalachian Power Company and Wheeling Power Company – On April 16, 2018, the VASSC issued an order that starting no later than August 1 of 2018, Appalachian Power Company will implement a \$50 million interim rate reduction associated with the Federal Tax Cuts and Jobs Act. The interim rate will be effective until April 2019, at which point a permanent rate will be established via a filing with the Virginia State Corporation Commission. Depending on service delivery and load factor, Commercial and Industrial Customers will see a reduction of approximately 2-4%.

On August 13, 2018, Appalachian Power, along with Wheeling Power, filed a settlement agreement seeking the Public Service Commission of West Virginia's approval in its Expanded Net Energy Cost (ENEC) and Vegetation Management Program (VMP) cases. If the agreement is approved by the Commission, dollars from the Tax Cuts and Jobs Act of 2017 would be used to offset \$110 million in fuel and vegetation management costs, allowing those rates to stay essentially the same and remain stable for the next two years. As part of the agreement, the ENEC and vegetation management portion of rates will not change until at least June 30, 2020.

In September of 2018, the VASSC approved a filing for Appalachian Power Company that will increase on an interim basis, the charges for its customers pay for fuel. The new fuel rate filing was for \$53 million, where fuel charges will increase to 2.55 cents per kilowatt-hour, up from 2.17 cents per kilowatt hour in November. However, the increase will be offset by Appalachian's plan to credit customers on an accelerated basis for the reduction in corporate taxes. In an order issued in October, the VASSC approved the new ATRR, which results in an additional \$55 million refund to Appalachian's customers.

Public Service of Oklahoma – Following an order from the OCC in August, PSO bills started including a credit resulting from the Tax Cut and Jobs Act of 2017. PSO estimates the tax refund and rider updates will reduce the overall bill for large commercial and industrial customers by about 2.5 to 6 percent over the next year, but the specific savings for each account depends on the rate, service level, and load characteristics.

Southwest Electric Power Company - Effective September 19, 2018, SWEPCO's Texas Commercial and Industrial customers will see reduced rates due to the Federal Tax Cuts and Jobs Act. The impact will vary by rate class and usage. The anticipated reduction will be between 2%-4%.

Kentucky Power Company - On June 28, 2018, the Kentucky Public Service Commission approved a reduction in Kentucky Power's C&I rates by 0.003188/kWh. The amount of the monthly credit will vary with energy used. The reduction is associated with the Federal Tax Cuts and Jobs Act and the rates approved take effect July 1. It will remain in effect through at least 2020.

AEP Texas - On September 1, 2018, the Public Utility Commission of Texas approved a settlement agreement reducing AEP Texas' annual revenue requirement (ARR) by \$27 million, largely to reflect last year's federal income tax legislation. AEP Texas agreed to reduce the revenue requirement in its distribution-cost recovery factors (DCRFs) to \$55.6 million, with AEP Central's ARR cut by \$21.2 million and AEP North's by \$5.8 million. Commission staff, the Alliance for Retail Markets (ARM) and several cities served by AEP signed on to the agreement, reducing commercial rates by 3-4%.

AEP - Appalachian Power				Period	10/01/15	02/01/16	01/01/17	11/01/18
Virginia	Annual	Fuel factor		\$/kWh	0.0258600	0.0230100	0.0216900	0.0216900

AEP - Kentucky Power				Month	January	February	March	April	May	June	July	August	September	October	November	December
Kentucky	Monthly	Fuel factor		\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh
			2018	(0.0033700)	0.0026000	0.0015000	0.0040000	0.0095500	0.0064200	0.0028300	0.0030200	0.0014600	0.0017000	0.0031700	0.0003900	
			2019	0.0082500												
Kentucky	Monthly	Environmental		\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh
			2018	0.1501300	0.1320780	0.0900620	0.0749680	0.1020480	0.0815890	0.1116200	0.0852960	0.0836010	0.0922210	0.0959310	0.0941790	
			2019	0.1036490												

AEP - Indiana Michigan Power				April-17	October-17	April-18	July-18	October-18
Indiana	Biannual	Fuel factor	FFR - \$/kWh	(0.0030500)	(0.0024000)	(0.0017740)	0.0007920	(0.0020070)
Indiana	Annual	ECCR (6)* (Environmental Compliance Cost Rider)	ECCR - \$/kWh	0.0004700	0.0003180	0.0008700	(0.0000010)	0.0000000
Michigan	Annual	Power Supply Cost Recovery Factor (Fuel) (6)*	PSCRF - \$/kWh	0.0088900	0.0105000	0.0179700	0.0040300	(0.0045700)

AEP Ohio				GCR2	06/01/15	06/01/16	06/01/17	06/01/18
Ohio	Annual	GENERATION CAPACITY RIDER 2	SEC	.0116000	.0082000	.0131700	.0139300	
			PRI	.0098100	.0064100	.0108400	.0128600	
			SUB/TRAN	.0039000	.0041900	.0050900	.0177600	
			GER	06/01/15	06/01/16	06/01/17	06/01/18	
Ohio	Annual	GENERATION ENERGY RIDER	SEC	.0463200	.0466600	.0404800	.0355300	
			PRI	.0447100	.0450400	.0390700	.0343000	
			SUB/TRAN	.0438100	.0441400	.0382900	.0336100	
			BTCR KWH	01/31/17	08/29/17	03/29/18	06/01/18	
Ohio	Annual	BASIC TRANSMISSION COST RIDER METERED KWH	SEC	.0003466	.0004884	.0005135	.0004903	
			PRI	.0003345	.0004714	.0004956	.0004732	
			SUB/TRAN	.0003278	.0004620	.0004857	.0004638	
			BTCR KW	01/31/17	08/29/17	03/29/18	06/01/18	
Ohio	Annual	BASIC TRANSMISSION COST RIDER BILLABLE DEMAND KW	SEC	3.43	4.86	5.74	5.01	
			PRI	3.83	4.84	6.02	5.32	
			SUB/TRAN	3.45	4.33	5.49	5.03	

AEP - Public Service Company of Oklahoma				Fuel Clause	\$/kWh	\$/kWh	\$/kWh
Oklahoma	Biannual	Fuel factor	Period	SL/1	SL/2	SL/3	
			Jan 16 - Oct 16	0.0205600	0.0193260	0.0205400	
			Nov 16 - Apr 17	0.0262950	0.0252060	0.0279940	
			May 17 - Sep 18	0.0282780	0.0284750	0.0325920	
			Oct 18	0.0270530	0.0293500	0.0318610	

AEP - Southwestern Electric Power Company				Period	Secondary \$/kWh	Primary \$/kWh
Arkansas	Biannual	Fuel factor	Apr 15 - Feb 16	0.0348700	0.0339220	
			Mar 16 - Mar 17	0.0263010	0.0254790	
			Apr 17 - Mar 18	0.0317390	0.0307390	
			Apr 18 -	0.0324190	0.0313970	

Louisiana	Monthly	Environmental Adjustment Clause	Month	January	February	March	April	May	June	July	August	September	October	November	December
			Primary 2018	0.0007140	0.0006290	0.0004470	0.0007000	0.0006210	0.0002430	0.0005950	0.0006350	0.0005890	0.0003460	0.0009750	0.0006490
Secondary 2018	0.0007380	0.0006500	0.0004620	0.0007220	0.0006410	0.0002510	0.0006140	0.0006560	0.0006080	0.0003570	0.0010070	0.0006700			
Primary 2019	0.0006780														
Secondary 2019	0.0007000														

Louisiana	Monthly	Fuel factor***	Month	January	February	March	April	May	June	July	August	September	October	November	December
			Primary 2018	0.0329170	0.0297930	0.0369880	0.0351780	0.0301790	0.0307770	0.0336660	0.0264810	0.0287790	0.0304760	0.0292430	0.0323780
Secondary 2018	0.0339880	0.0307610	0.0381910	0.0363220	0.0311610	0.0317780	0.0347610	0.0273420	0.0297140	0.0314670	0.0301950	0.0334320			
Primary 2019	0.0324320														
Secondary 2019	0.0334860														

AEP - Texas Central Company & Texas North Company				Period	Secondary \$/kWh	Primary \$/kWh
Non-ERCOT Texas	NA	Fuel factor	Nov 17 - Dec 17	0.0299630	0.0290270	
			Jan 18 - Apr 18	0.0306400	0.0296840	
			May 18 - Jul 18	0.0340600	0.0329960	
			Aug 18 - Oct 18	0.0288410	0.0297710	
			Nov 18 -	0.0299630	0.0290270	

Texas-YCC	Biannual	TCRF (Transmission Cost Recovery Factor)	TCRF	Sec < 10KW	Sec w/o IDR	Sec w IDR	Pri w/o IDR	Pri w IDR
			09/01/16	0.0057570	2.0804130	2.9671870	0.8206610	1.7430010
03/01/17	0.0057900	2.1327020	3.7038790	0.7848270	1.7878570			
03/01/18	0.0040140	2.1003880	1.9271580	3.6426780	3.5518160			
09/01/18	0.0043680	1.9912440	1.9344090	4.5404950	3.6093640			

Texas-TNC	Biannual	TCRF (Transmission Cost Recovery Factor)	TCRF	Sec < 10KW	Sec w/o IDR	Sec w IDR	Pri w/o IDR	Pri w IDR
			09/01/16	0.0040850	1.9402100	1.8834270	2.8613180	3.1046080
03/01/17	0.0035150	1.9652450	2.0712950	4.5528670	2.9910160			
03/01/18	0.0060030	2.0546820	3.0536710	0.8166490	1.8809080			
09/01/18	0.0059390	2.1236730	1.9271580	0.7984500	1.8984220			