

Appalachian Power Company
Formula Rate Template - Capacity Rate
12 Months Ending 12/31/2019 (actuals)

	RATE \$/MW/Day (1)	CAPACITY MW (2)	Amount \$ (1) x (2) (3)
Capacity Daily Charge:			
1. Reference	P.2		Col (1) x (2)
2. Amount	\$480.97577	5,208	\$2,505,018.02

Note A: Rate will be applied to peak obligation demands at or adjusted to generation level (including losses).

DETERMINATION OF RATES APPLICABLE TO
APCO CAPACITY REQUIREMENTS
12 Months Ending 12/31/2019 (actuals) for 2020

1. Capacity Daily Rates

$$\begin{aligned} \$/\text{MW} &= \frac{\text{Annual Production Fixed Cost}}{(\text{APCo 5 CP Demand}/365) \text{ (Note A)}} \\ &= \frac{914,331,579}{5,208.2 / 365} = \$480.97577 \end{aligned}$$

Where: Annual Production Fixed Cost, P.4, L. 8

Note A: Average of demand at time of PJM five highest daily peaks.
Workpapers -- WP1

Appalachian Power Company Input Statement
12 Months Ending 12/31/2019 (actuals) for 2020

Appalachian Power Company

REFERENCING File Name:

Schedule	Description	Amount	Sheet / Tab	Cell
B-1	Production Billing kW			
B-2	Production System Peak Demand	5,208.2	WP-1	D15
B-4	Off System Sales for Resale (Demand Portion)	6,109,611	WP-15D	B10
	Ancillary Service Revenue	0	WP-2	F13
B-4	Energy Credit Revenue	12,685,247	WP-15D	D13
B-5	Plant Held for Future Use - TOTAL	401,557	WP-19	C14
	Plant Held for Future Use - DEMAND	401,557	WP-19	D14
	Plant Held for Future Use - ENERGY	0	WP-19	E14
	Pollution Control CWIP	0	WP-3	sum(D27+D30)
	Non-Pollution Control CWIP (50%)	0	WP-3	(D28+D29)x50%
	Prepayments Nonlabor	8,475,538	WP-5c	D24
	Prepayments Labor	0	WP-5c	F24
B-6	Plant in Service - TOTAL COMPANY	14,735,297,683	WP-6a	G38
	Production Plant - TOTAL COMPANY	6,432,123,320	WP-6a	G11
	Production Plant - DEMAND	6,432,123,320		
	Production Plant - ENERGY	0		
	Accum. Depreciation - TOTAL CO.	5,003,482,965	WP-6b	F16
	Accum. Depreciation - PRODUCTION ONLY	2,654,587,089	WP-6b	D16
	Accum. Depreciation - GENERAL & INTANGIBLE	192,041,513	WP-6b	C16
	Accum. Deferred Income Taxes - TOTAL CO.	2,257,172,256		
B-6a	Acct 190			
	Excluded Items	137,915,114	WP-8ai	F130
	100% Production (Energy)	2,097,313	WP-8ai	F127
	100% Production (Demand)	55,672,913	WP-8ai	F129
	Labor Related	(159,392)	WP-8ai	F126
	Acct 281			
	Excluded Items	0	WP-8a	
	100% Production (Energy)	0	WP-8a	
	100% Production (Demand)	260,692,190	WP-8a	F21
	Labor Related	0	WP-8a	
	Acct 282			
	Excluded Items	1,327,514,205	WP-8a	F91
	100% Production (Energy)	(2,098)	WP-8a	F88
	100% Production (Demand)	720,005,442	WP-8a	F90
	Labor Related	(39,564)	WP-8a	F87
	Acct 283			
	Excluded Items	79,141,525	WP-8a	F220
	100% Production (Energy)	15,594,221	WP-8a	F217
	100% Production (Demand)	28,643,608	WP-8a	F219
	Labor Related	20,639,628	WP-8a	F216
	Acct 255			
	Excluded Items	16,974	WP-8a	F214+G214
	100% Production (Energy)	0	WP-8a	
	100% Production (Demand)	492,073	WP-8a	F234
	Labor Related	0	WP-8a	
B-7	General Plant			
	Land	15,224,417	WP-6c	C18
	Structures	149,785,873	WP-6c	C20
	Office Equipment	11,758,031	WP-6c	C22
	Transportation	8,674	WP-6c	C24
	Stores Equipment	1,960,487	WP-6c	C26
	Tools, Shop & Garage Equipment	38,152,482	WP-6c	C29+C33
	Lab Equipment	3,166,290	WP-6c	C31
	Communication Equipment	70,281,638	WP-6c	C35
	Miscellaneous Equipment & Other	7,169,385	WP-6c	C37
	Other Tangible Property	0	WP-6c	C39
	Asset Retirement Costs	1,204,129	WP-6c	C46-C44
	TOTAL GENERAL PLANT	298,711,406		
	Intangible Plant	224,212,753	WP-6a	G35
	Total Wages & Salaries (Excluding A & G and SF&H)	166,623,028	WP-9a	E30
	Production Wages & Salaries	88,377,575	WP-9b	F51
	Allocation Factors for Production-Related General Plant based on Production Wages & Salaries			
	Demand	0.7043801439	WP-9b	D53
	Energy	0.2956198561		
B-9	Account 151 Fuel Inventory	142,401,216	WP-5b	M13
	Materials & Supplies - Total	104,792,087		
	Production	74,847,060	WP-5a	L10
	Transmission	9,848,165	WP-5a	L11
	Distribution	20,096,862	WP-5a	L12
	Account 158 - Allowances	22,509,880	WP-5a	C18
	Account 120 Nuclear Fuel	0	WP-5b	E17
	Account 152 Undistributed	7,344,137	WP-5b	B17

Appalachian Power Company Input Statement
12 Months Ending 12/31/2019 (actuals) for 2020

Appalachian Power Company

REFERENCING File Name:

Schedule	Description	Amount	Sheet / Tab	Cell
B-10	ADMINISTRATIVE & GENERAL EXPENSES			
	A & G Salaries # 920	43,855,062	WP-10a	D163
	Outside Services # 923	10,095,870	WP-10a	D166
	Employee Pensions & Benefits # 926	24,889,235	WP-10a	D172
	Office Supplies # 921	4,726,717	WP-10a	D164
	Injuries & Damages # 925	5,909,079	WP-10a	D168
	Franchise Requirements # 927	0	WP-10a	D173
	Duplicate Charges # 929	(128,387)	WP-10a	D175
	Miscellaneous General Expense # 930	7,116,144	WP-10a	sum(D176:D178)
	Advertising Expense	509,375	WP-10a	D176
	Dues & Memberships	699,891	WP-10a	D178
	Adm. Expense Transfer - Cr. # 922	(5,992,645)	WP-10a	D165
	Property Insurance # 924	4,696,745	WP-10a	D167
	Regulatory Comm. Expense # 928	3,355,864	WP-10a	D174
	Reg. Comm. Expense Production Related	1,682,089	WP-11	E46
	Rents # 931	1,624,177	WP-10a	D179
	Maintenance of General Plant # 935	12,083,823	WP-10a	D183
B-11	Common Stock	4,170,957,777	WP-12a	M11
	Bonds (Acc 221)	250,362,438	WP-13	E12
	Less: Reacquired Bonds (Acc 222)	0	WP-13	G12
	Advances from Assoc Companies (Acc 223)	0	WP-13	C12
	Other Long Term Debt (Acc 224)	4,150,570,347	WP-13	K12
B-12	Long Term Debt	4,400,932,785	WP-13	O12
	Interest on Long Term Debt	201,244,487	WP-13	F39
	Amort Debt Disc/ Exp	3,579,752	WP-13	F27
	Amort Loss Reacq	3,839,844	WP-13	F28
	Amort. Premium on Debt	0	WP-13	F32
	Amort. Gain on Debt	0	WP-13	F34
B-13	Preferred Stock	0	WP-12b	B13
	Preferred Stock Dividends	0	WP-12b	K13
	Premium on Preferred Stock	0	WP-12b	D13
B-13b	Total Proprietary Capital			
	Preferred Stock (Acc 204, pfd portion of Acc 207-213)	0	WP-12a	E11+F11+G11
	Unappropriated Undistributed Subsidiary Earnings (Acc 216.1)	(3,463,213)	WP-12a	I11
	Accumulated Comprehensive Other Income (Acc 219)	5,040,772	WP-12a	K11
	Total Proprietary Capital	4,172,535,336	WP-12a	C11
B-14	Coal Handling	18,422,186	WP-18	C20
	Lignite Handling	0		
	Fly Ash Rev/Exp	(1,421,600)	WP-18	C21
	Other Production Expenses #557	7,130,025	WP-10a	D56
	System Control/Load Dispatching #556	16,356,645	WP-10a	D55+D73+D77+D100
	Other Steam Gen & Other Power Gen Exp			
	Total	207,154,939	WP-14	G62
	Demand	131,359,429	WP-14	G60
	Energy	75,795,509	WP-14	G61
	Purchased Power (Total) # 555	413,014,666	WP-15c	E10
	Purchased Power (Demand) # 555	55,882,578	WP-15c	B10 + D10
	Purchased Power (Energy) # 555	357,132,088	WP-15c	C10
B-16	Steam Production Plant Depreciation Expense	271,596,361	WP-6d	B9
	Hydro Production Plant Conventional Depreciation Expense	4,193,787	WP-6d	B10
	Hydro Production Plant Pumped Storage Depreciation Expense	3,000,563	WP-6d	B11
	Other Production Plant Depreciation Expense	22,332,901	WP-6d	B12
	General & Intangible Plant Depreciation Expense	32,064,765	WP-6d	B15+B16
	Production Plant Accretion Expense	0		
B-17	Payroll Related Other Taxes	8,613,527	WP-8c	C9
	Property Related Other Taxes	77,589,457	WP-8c	C11
	Production Related Taxes	30,425,398	WP-8c	C12
	Other	15,854,406	WP-8c	C14
	Not Allocated (Gross Receipts and Dist. Related)	13,423,673	WP-8c	C15
B-19	Federal Income Tax Rate	21.0000%	WP-8b	C20
	State Income Tax Rate (Composite)	3.7000%	WP-8b	C21
	Percent of FIT deductible for state purposes	0.0000%	WP-8b	C22
	Amortized Investment Tax Credit (enter negative)	0	WP-8b	D18
B-11	Return on Common	10.40%	na	
	Year Ending -- Month	12		
	Year Ending -- Day	31		

Appalachian Power Company Input Statement
 12 Months Ending 12/31/2019 (actuals) for 2020

Appalachian Power Company

REFERENCING File Name:

<u>Schedule</u>	<u>Description</u>	<u>Amount</u>		<u>Sheet / Tab</u>	<u>Cell</u>
	Year Ending -- Year	2019		na	
B-22	Losses and Imbalance Ancillary Svc. Rev.	0			
GSU Data Input					
B-3	GSU & Other Production Related Investment	81,926,089	December, 2019	WP-16	G32
B-3	Plant in Service - TRANSMISSION	3,582,439,049	December, 2019	WP-6a	G17
B-3	Transmission Depreciation Expense	61,714,127	December, 2019	WP-6d	B13
B-3	Transmission Substation Acct. 353 Investment	1,650,756,489	December, 2019	WP-17	J11
B-3	Transmission O&M (Accts 562 & 570)	5,026,204	December, 2019	WP-10a	sum(D78+D91)
B-6	GSU Accumulated Depreciation	23,022,519	December, 2019	WP-16	H32

	Reference (1)	PRODUCTION Amount (2)
1. GSU & Associated Investment	Note A	81,926,089
2. Total Transmission Investment	FF1, P.207, L.58, Col.g	3,582,439,049
3. Percent (GSU to Total Trans. Investment)	L.1 / L.2	2.29%
4. Transmission Depreciation Expense	FF1, P.336, L.7, Col.b	61,714,127
5. GSU Related Depreciation Expense	L.3 x L.4	1,411,328
6. Station Equipment Acct. 353 Investment	Note B	1,650,756,489
7. Percent (GSU to Acct. 353)	L.1 / L.6	4.96%
8. Transmission O&M (Accts 562 & 570)	FF1,P.321, L. 93, Col.b, and L.107, Col.b	5,026,204
9. GSU & Associated Investment O&M	L.7 x L.8	249,448

Note A: Workpapers -- WP-16

Note B: Workpapers -- WP-17

ANNUAL PRODUCTION FIXED COST
 12 Months Ending 12/31/2019 (actuals) for 2020

	Reference (1)	PRODUCTION Amount (2)
1. Return on Rate Base	P.5, L.18, Col.(2)	\$231,931,462
2. Operation & Maintenance Expense	P.14, L.15, Col.(2)	\$253,268,805
3. Depreciation Expense	P.16, L.9, Col.(2) Note A	\$314,514,538
4. Taxes Other Than Income Taxes	P.17, L.6, Col.(3)	\$78,057,718
5. Income Tax	P.18, L.5, Col.(2)	\$49,244,303
6. Sales for Resale	Note B	\$12,685,247
7. Sales for Resale (Energy Credit)	Note C	\$0
8. Annual Production Fixed Cost	Sum (L.1 : L.5) - (L.6 +L.7)	\$914,331,579

Note A: See page 20 for depreciation rates by plant account.

Note B: Capacity related revenues associated with sales as reported in Account 447 (includes pool capacity demand). See Workpaper 15d.

Note C: Workpaper 15d

RETURN ON PRODUCTION-RELATED INVESTMENT
12 Months Ending 12/31/2019 (actuals) for 2020

Appendix 2
Page 5

	Reference	Amount (1)	Demand (2)	Energy (3)
1.	ELECTRIC PLANT			
2.	Gross Plant in Service	P.6, L.4, Col.(2)-(4) 6,790,771,970	6,708,967,287	81,804,684
3.	Less: Accumulated Depreciation	P.6, L.11, Col.(2)-(4) 2,779,469,256	2,749,357,522	30,111,735
4.	Net Plant in Service	L.2 - L.3 4,011,302,714	3,959,609,765	51,692,949
5.	Less: Accumulated Deferred Taxes	P.6, L.12, Col.(2)-(4) 988,414,665	968,782,948	19,631,717
6.	Plant Held for Future Use (Note A)	FF1, P.214 401,557	401,557	0
7.	Subtotal - Electric Plant	L.4 - L.5 + L.6 3,023,289,605	2,991,228,374	32,061,232
	WORKING CAPITAL			
8.	Materials & Supplies			
9.	Fuel	P.9, L.2, Col.(2)-(4) 149,745,352	0	149,745,352
10.	Nonfuel	P.9, L.8, Col.(2)-(4) 74,847,060	74,847,060	0
11.	Total M & S	L.9 + L.10 224,592,412	74,847,060	149,745,352
12.	Prepayments Nonlabor (Note B)	3,905,957	3,858,904	47,053
13.	Prepayments Labor (Note B)	0	0	0
14.	Prepayments Total (Note B)	L.12 + L. 13 3,905,957	3,858,904	47,053
15.	Cash Working Capital	P.8, L.7, Col.(1)-(3) 36,137,979	24,642,097	11,495,881
16.	Total Rate Base	L.7 + L.11 + L.14 + L.15 3,287,925,954	3,094,576,436	193,349,518
17.	Weighted Cost of Capital	P.11, L.4, Col.(4) 7.49%	7.49%	7.49%
18.	Return on Rate Base	L.16 x L.17 246,422,569	231,931,462	14,491,106

Note A: Workpapers -- WP-19

Note B: Workpapers -- WP-5c Prepayments include amounts booked to Account 165. Nonlabor related prepayments allocated to the production function based on gross plant on P.6, L.7. Labor related prepayments allocated to production function based on wages and salaries on P.7, Note B.

	System		Reference	PRODUCTION		
	Reference	Amount (1)		Amount (2)	Demand (3)	Energy (4)
1. GROSS PLANT IN SERVICE (Note A)						
2. Plant in Service (Note C)	L. 14	14,735,297,683	L.16	6,514,049,409	6,514,049,409	0
3. Allocated General & Intangible Plant			P.7, Col(3), L.25	276,722,561	194,917,877	81,804,684
4. Total	L.2 + L.3 Note A	14,735,297,683		6,790,771,970	6,708,967,287	81,804,684
5.			Col.(2), L.4	6,790,771,970	6,708,967,287	81,804,684
6.			Col.(1), L.4	14,735,297,683	14,735,297,683	14,735,297,683
7.		100.00%	L.5/L.6	46.09%	45.53%	0.56%
8. ACCUMULATED PROVISION FOR DEPRECIATION (Note A)						
9. Plant in Service (Note D)	L.18	5,003,482,965	L.20	2,677,609,607	2,677,609,607	0
10. Allocated General Plant		192,041,513	Note B	101,859,649	71,747,914	30,111,735
11. Total	L.9 + L.10			2,779,469,256	2,749,357,522	30,111,735
12. ACCUMULATED DEFERRED TAXES (Note A)	Note E	2,257,172,256	P.6a, L. 52	988,414,665	968,782,948	19,631,717

Note A: Excludes ARO amounts.

Note B: (% From P.7, Col.(3), L.28)

Note C: Includes Generator Step-Up Transformers and Other Generation related investments previously included in the transmission accounts

Note D: Includes Accumulated Depreciation associated with the Generator Step-Up Transformers and Other Generation investments.

Note E: WP--8a, WP--8ai

GSU DETAILS [Lns. 2 and 9 above]

	System		Reference	PRODUCTION		
	Reference	Amount (1)		Amount (2)	Demand (3)	Energy (4)
13 GROSS PLANT IN SERVICE						
14 Plant in Service (Note C)	WP6a, Ln. 11	14,735,297,683	WP6a, Ln. 2	6,432,123,320	6,432,123,320	0
15 Plant in Service (Note C) (GSU)	P.3, L.1, Col.(2)			81,926,089	81,926,089	0
16 Plant in Service (Note C)	Ln. 14 + L.15			6,514,049,409	6,514,049,409	0
17 Accumulated Provision for Depreciation						
18 Accumulated Prov. Depreciation (Note D)	WP6b, Ln. 7	5,003,482,965	WP6b, Ln. 7	(2,654,587,089)	(2,654,587,089)	0
19 Accumulated Prov. Dep. (GSU)	WP16			(23,022,519)	(23,022,519)	0
20 Total Accumulated Depreciation (Note D)	Ln. 18+ L.19			(2,677,609,607)	(2,677,609,607)	0

Account	Description	Year End Balance	Exclusions	100% Production (Energy Related)	100% Production (Demand Related)	Labor
1	190 Excluded Items	137,915,114	137,915,114			
2	190 100% Production (Energy)	2,097,313		2,097,313		
3	190 100% Production (Demand)	55,672,913			55,672,913	
4	190 Labor Related	(159,392)				(159,392)
5	190 Total	195,525,948	137,915,114	2,097,313	55,672,913	(159,392)
6	Production Allocation		0.00%	100.00%	100.00%	100.00%
7	(Gross Plant or Wages/Salaries)		-	2,097,313	55,672,913	(159,392)
8	Demand Related			-	55,672,913	(112,273)
9	Energy Related			2,097,313	-	(47,120)
10				Direct	Direct	B-7, Note B
11	281 Excluded Items		-			
12	281 100% Production (Energy)			-		
13	281 100% Production (Demand)	(260,692,190)			(260,692,190)	
14	281 Labor Related	-				-
15	281 Total	(260,692,190)	-	-	(260,692,190)	-
16	Production Allocation		0.00%	100.00%	100.00%	100.00%
17	(Gross Plant or Wages/Salaries)		-	-	(260,692,190)	-
18	Demand Related			-	(260,692,190)	-
19	Energy Related			-	-	-
20	Allocation Basis			Direct	Direct	B-7, Note B
21	282 Excluded Items	(1,327,514,205)	(1,327,514,205)			
22	282 100% Production (Energy)	2,098		2,098		
23	282 100% Production (Demand)	(720,005,442)			(720,005,442)	
24	282 Labor Related	39,564				39,564
25	282 Total	(2,047,477,985)	(1,327,514,205)	2,098	(720,005,442)	39,564
26	Production Allocation		0.00%	100.00%	100.00%	100.00%
27	(Gross Plant or Wages/Salaries)		-	2,098	(720,005,442)	39,564
28	Demand Related			-	(720,005,442)	27,868
29	Energy Related			2,098	-	11,696
30	Allocation Basis			Direct	Direct	B-7, Note B
31	283 Excluded Items	(79,141,525)	(79,141,525)			
32	283 100% Production (Energy)	(15,594,221)		(15,594,221)		
33	283 100% Production (Demand)	(28,643,608)			(28,643,608)	
34	283 Labor Related	(20,639,628)				(20,639,628)
35	283 Total	(144,018,981)	(79,141,525)	(15,594,221)	(28,643,608)	(20,639,628)
36	283 Production Allocation		0.00%	100.00%	100.00%	100.00%
37	(Gross Plant or Wages/Salaries)		-	(15,594,221)	(28,643,608)	(20,639,628)
38	Demand Related			-	(28,643,608)	(14,538,144)
39	Energy Related			(15,594,221)	0	(6,101,484)
40	Allocation Basis			Direct	B-6, L. 7	B-7, Note B
41	255 Excluded Items	(16,974)	(16,974)			
42	255 100% Production (Energy)	-		-		
43	255 100% Production (Demand)	(492,073)			(492,073)	
44	255 Labor Related	-				-
45	255 Total	(509,047)	(16,974)	-	(492,073)	-
46	255 Production Allocation		0.00%	100.00%	100.00%	100.00%
47	(Gross Plant or Wages/Salaries)		-	-	(492,073)	-
					Direct	
48	Summary Production Related ADIT	Total	Demand	Energy		
49	P Plant (Energy Related)	(13,494,810)	-	(13,494,810)		
50	P Plant (Demand Related)	(954,160,400)	(954,160,400)	0		
51	Labor Related	(20,759,456)	(14,622,549)	(6,136,907)		
52	Total	(988,414,665)	(968,782,948)	(19,631,717)		

Source: Functionalized balances for Accounts 190, 281, 282, 283 and 255 from WP-8a and 8ai.

General Plant Accounts 101 and 106

	Total System (Note A) (1)	Allocation Factor (2)	Related to Production (1) x (2) (3)	Demand (4)	Energy (5)	FERC Form 1 Reference
1. GENERAL PLANT						
2.						
3. Land	15,224,417	Note B	8,075,097	5,687,938	2,387,159	P.207, L.86, Col.(g)
4. General Offices	0		0	0	0	
5. Total Land	15,224,417		8,075,097	5,687,938	2,387,159	P.207, L.86, Col.(g)
6.						
7. Structures	149,785,873	Note B	79,447,075	55,960,942	23,486,133	P.207, L.87, Col.(g)
8. General Offices	0		0	0	0	
9. Total Structures	149,785,873		79,447,075	55,960,942	23,486,133	P.207, L.87, Col.(g)
10.						
11. Office Equipment	11,758,031	Note B	6,236,511	4,392,874	1,843,636	P.207, L.88, Col.(g)
12. General Offices	0		0	0	0	
13. Total Office Equipment	11,758,031		6,236,511	4,392,874	1,843,636	P.207, L.88, Col.(g)
14. Transportation Equipment	8,674	Note B	4,601	3,241	1,360	P.207, L.89, Col.(g)
15. Stores Equipment	1,960,487	Note B	1,039,851	732,450	307,401	P.207, L.90, Col.(g)
16. Tools, Shop & Garage Equipment	38,152,482	Note B	20,236,242	14,254,007	5,982,235	P.207, L.91, L. 93, Col.(g)
17. Lab Equipment	3,166,290	Note B	1,679,414	1,182,946	496,468	P.207, L.92, Col.(g)
18. Communication Equipment	70,281,638	Note B	37,277,685	26,257,661	11,020,024	P.207, L.94, Col.(g)
19. Miscellaneous Equip & Other	7,169,385	Note B	3,802,673	2,678,527	1,124,146	P.207, L.95, Col.(g)
20. Subtotal General Plant	297,507,277		157,799,147	111,150,586	46,648,561	P.207, L.96, Col.(g)
21. PERCENT		Note C	53.04%	37.36%	15.68%	
22. Other Tangible Property	0	Note D	0	0	0	P.207, L. 97, Col.(g)
23. TOTAL GENERAL PLANT	297,507,277		157,799,147	111,150,586	46,648,561	
24. INTANGIBLE PLANT	224,212,753	Note B	118,923,414	83,767,291	35,156,123	P.205, L.5, Col.(g)
25. TOTAL GENERAL AND INTANGIBLE	521,720,030		276,722,561	194,917,877	81,804,684	L.23 + L.24
26. PERCENT		Note E	53.04%	37.36%	15.68%	

NOTE A: See Workpaper 6c.

NOTE B: Allocation factors based on wages and salaries in electric operations and maintenance expenses excluding administrative and general expenses:

a. Total wages and salaries in electric operation and maintenance expenses excluding administrative and general expense, FF1, P.354, Col.(b), Ln.28 - L.27 (see workpaper 9a).	166,623,028
b. Production wages and salaries in electric operation and maintenance expense, FF1, P.354, Col.(b), L.20. (see WP-9a)	88,377,575
c. Ratio (b / a)	53.040%

NOTE C: L.20, Col.(3) / L.20, Col.(1)

NOTE D: Directly assigned to Production

NOTE E: L.25, Col.(3) / L.25, Col.(1)

PRODUCTION-RELATED CASH REQUIREMENT
12 Months Ending 12/31/2019 (actuals) for 2020

	Reference	Amount (1)	PRODUCTION Demand (2)	Energy (3)
1. Total Production Expense Excluding Fuel Used In Electric Generation	P.14, L.12 Col.(1)-(3)	660,656,861	210,728,678	449,928,184
2. Less Fuel Handling / Sale of Fly Ash	P.14, L.1 thru L. 3 Col.(1)-(3)	(17,000,586)	0	(17,000,586)
3. Less Purchased Power	P.14, L.11 Col.(1)-(3)	(413,014,666)	(55,882,578)	(357,132,088)
4. Other Production O&M	Sum (L.1 thru L.3)	230,641,609	154,846,099	75,795,509
5. Allocated A&G	P.10, L.17 Col.(3)-(5)	58,462,220	42,290,680	16,171,540
6. Total O&M for Cash Working Capital Calculation	L.4 + L.5	289,103,829	197,136,779	91,967,049
7. O&M Cash Requirements	=45 / 360 x L.6	36,137,979	24,642,097	11,495,881

	SYSTEM		PRODUCTION			
	Reference	Amount (1)	Reference	Amount (2)	Demand (3)	Energy (4)
1. Material & Supplies (Note A)						
2. Fuel (Note C)	FF1, P.110, L. 45,46 Workpapers WP-5b	149,745,352		149,745,352	0	149,745,352
3. Non-Fuel						
4. Production	Note D	74,847,060	100% Col. 1	74,847,060	74,847,060	0
5. Transmission		9,848,165	0	0	0	0
6. Distribution		20,096,862	0	0	0	0
7. General		0	Note B	0	0	0
8. Total	L.4 + L.5 + L.6 + L.7	104,792,087		74,847,060	74,847,060	0
9. Account 158 Allowances	Note D	22,509,880		22,509,880	0	22,509,880

Note A: Year end balance.

Note B: Column (1) times % from P.7, Col.(3), L.26.

Note C: Workpapers WP-5b

Note D: Workpapers WP-5a

PRODUCTION-RELATED
ADMINISTRATIVE & GENERAL EXPENSE ALLOCATION
12 Months Ending 12/31/2019 (actuals) for 2020

	Account	System		Allocation Factor % (2)	Production			FERC Form 1 Reference
		Reference	Amount (1)		Amount (3)	Demand (4)	Energy (5)	
1.	ADMINISTRATIVE & GENERAL EXPENSE							
2.	RELATED TO WAGES AND SALARIES							
3.	A&G Salaries	920	Workpapers 10-a	43,855,062				P.323, L.181, Col.(b)
4.	Outside Services	923	Workpapers 10-a	10,095,870				P.323, L.184, Col.(b)
5.	Employee Pensions & Benefits	926	Workpapers 10-a	24,889,235	Note F			P.323, L.187, Col.(b)
6.	Office Supplies	921	Workpapers 10-a	4,726,717				P.323, L.182, Col.(b)
7.	Injuries & Damages	925	Workpapers 10-a	5,909,079				P.323, L.186, Col.(b)
8.	Franchise Requirements	927	Workpapers 10-a	0				P.323, L.188, Col.(b)
9.	Duplicate Charges - Cr.	929	Workpapers 10-a	(128,387)				P.323, L.190, Col.(b)
10.	Total		Ls. 3 thru 9	89,347,577	Note A	47,390,341	33,380,815	14,009,526
11.	MISCELLANEOUS GENERAL EXPENSES	930	Workpapers 10-a	5,906,878	Note A & D	3,133,034	2,206,847	926,187 P.323, L.192, Col.(b) [Note A]
12.	ADM. EXPENSE TRANSFER - CR.	922	Workpapers 10-a	(5,992,645)	Note B	(3,178,525)	(2,238,890)	(939,635) P.323, L.183, Col.(b)
13.	PROPERTY INSURANCE	924	Workpapers 10-a	4,696,745	Note E	2,164,498	2,138,424	26,075 P.323, L.185, Col.(b)
14.	REGULATORY COMM. EXPENSES	928	Workpapers 10-a	3,355,864	Note C	1,682,089	1,682,089	0 P.323, L.189, Col.(b)
15.	RENTS	931	Workpapers 10-a	1,624,177	Note B	861,470	606,803	254,668 P.323, L.193, Col.(b)
16.	MAINTENANCE OF GENERAL PLANT	935	Workpapers 10-a	12,083,823	Note B	6,409,312	4,514,592	1,894,720 P.323, L.196, Col.(b)
17.	TOTAL A & G EXPENSE		L.10 thru 16	111,022,419		58,462,220	42,290,680	16,171,540

Note A: % from Note B, P.7

Note B: General Plant % from P.7, Col.(3), L.26

Note C: Workpapers WP -- 11 Excluding all items not related to wholesale service and also excludes FERC assessment of annual charges.

Note D: Excludes general advertising and company dues and memberships.

Note E: % Plant from P.6, L.7.

Note F: PBOP expense is fixed at \$6,222,780. This amount cannot be changed absent a Section 205/206 filing with the Commission.

COMPOSITE COST OF CAPITAL
12 Months Ending 12/31/2019 (actuals) for 2020

		Reference	Total Company Capitalization \$ (1)	Weighted Cost Ratios % (2)	Reference	Cost of Capital % (3)	Weighted Cost of Capital (2 x 3) (4)
1.	Long Term Debt	Note A	4,400,932,785	51.34%	Note D	4.74%	2.43%
2.	Preferred Stock	Note B	0	0.00%	Note E	0.00%	0.00%
3.	Common Stock	Note C	4,170,957,777	48.66%	Note F	10.40%	5.06%
4.	Total	Ln. 1+L.2+L.3	8,571,890,562	100.00%			7.49%

Note A: P.12, L.5, Col.(1)

Note B: P.13a, L.4, Col.(2)

Note C: P.13b, L.5,Col.(2)

Note D: P.12, L.16 Col. (2)

Note E: P.13a, L.5,Col.(2)

Note F: Return on equity cannot be changed absent a Section 205/206 filing with the Commission.

LONG TERM DEBT
12 Months Ending 12/31/2019 (actuals) for 2020

	Reference	Debt Balance (1)	Interest & Cost Booked (2)
<u>12 Months Ending 12/31/2019 (actuals) for 2020</u>			
1. Bonds (Acc 221)	FF1, 112.18.c.	250,362,438	
2. Less: Reacquired Bonds (Acc 222)	FF1, 112.19.c.	0	
3. Advances from Assoc Companies (Acc 223)	FF1, 112.20.c.	0	
4. Other Long Term Debt (Acc 224)	FF1, 112.21.c.	<u>4,150,570,347</u>	
5. Total Long Term Debt Balance		4,400,932,785	
<u>Costs and Expenses (actual)</u>			
6. Interest Expense (Acc 427)	FF1, 117.62.c.	Note A	201,244,487
7. Amortization Debt Discount and Expense (Acc 428)	FF1, 117.63.c.		3,579,752
8. Amortization Loss on Reacquired Debt (Acc 428.1)	FF1, 117.64.c.		3,839,844
9. Less: Amortiz Premium on Reacquired Debt (Acc 429)	FF1, 117.65.c.		0
10. Less: Amortiz Gain on Reacquired Debt (Acc 429.1)	FF1, 117.66.c.		0
11. Interest on LTD Assoc Companies (portion Acc 430)	Workpapers --13, L.7	Note A	<u>0</u>
12. Sub-total Costs and Expense			208,664,084
13. Less: Total Hedge (Gain) / Loss	P. 12a, L. 11, Col. (6)		(1,128,888)
14. Plus: Allowed Hedge Recovery	P. 12a, L. 15, Col. (6)		(1,128,888)
15. Total LTD Cost Amount	L. 12 - L. 13 + L. 14		208,664,084
16. Embedded Cost of Long Term Debt = L.15, Col.(2) / L.5, Col.(1)			4.74%

Note A: Reconciliation of Interest Expense to FF1, pg. 257, Ln. 33 Col(i)

Ln. 6	Interest Expense (Acc 427)	201,244,487
Ln. 11	Interest on LTD Assoc Companies (portion Acc 430)	<u>0</u>
	FF1, pg. 257, Ln. 33 Col(i)	201,244,487

LONG TERM DEBT

Limit on Hedging (Gain)/Loss on Interest Rate Derivatives of LTD
12 Months Ending 12/31/2019 (actuals) for 2020

Appendix 2
Page 12a

	(1)	(2)	(3)	(4)	(5)	(6)
HEDGE AMT BY ISSUANCE FERC Form 1, p. 256-257 (i)	Total Hedge (Gain) / Loss	Excludable Amounts (Note A)	Net Includable Hedge Amount Subject to Limit	Unamortized Balance	Amortization Period Beginning	Ending
1. Senior Unsecured Notes - Series I	0		-	0	Jan-05	Jul-14
2. Senior Unsecured Notes - Series K			-	0	Jun-05	May-15
3. Senior Unsecured Notes - Series L	-		-	-	Sep-05	Sep-15
4. Senior Unsecured Notes - Series H	37,071		37,071	494,284	May-03	May-33
5. Senior Unsecured Notes - Series N	(194,198)		(194,198)	(3,155,725)	Apr-06	Apr-36
6. Senior Unsecured Notes - Series Q	159,671		159,671	2,907,334	Mar-08	Apr-38
7. Senior Unsecured Notes - Series S	-		-	-	May-10	May-15
8. Senior Unsecured Notes - Series T	(1,131,432)		(1,131,432)	(1,382,862)	Mar-11	Mar-21
9.			-	-		
10. Total Hedge Amortization	(1,128,888)	-	(1,128,888)			

Limit on Hedging (G)/L on Interest Rate Derivatives of LTD

11. Hedge (Gain) / Loss prior to Application of Recovery Limit						(1,128,888)
Enter a hedge Gain as a negative value and a hedge Loss as a positive value						
12. Total Capitalization			Page 11, L.4, col.(1)		8,571,890,562	
13. 5 basis point Limit on (G)/L Recovery						0.0005
14. Amount of (G)/L Recovery Limit			L. 12 * L. 13			(4,285,945)
15. Hedge (Gain) / Loss Recovery (Lesser of Line 11 or Line 14)						(1,128,888)
To be subtracted or added to actual Interest Expenses on Page 12, Line 14						

Note A: Annual amortization of net gains or net loss on interest rate derivative hedges on long term debt shall not cause the composite after-tax weighted average cost of capital to increase/decrease by more than 5 basis points. Hedge gains/losses shall be amortized over the life of the related debt issuance. The unamortized balance of the g/l shall remain in Acc 219 Other Comprehensive Income and shall not flow through the rate calculation. Hedge-related ADIT shall not flow through rate base. Amounts related to the ineffective portion of pre-issuance hedges, cash settlements of fair value hedges issued on Long Term Debt, post-issuance cash flow hedges, and cash flow hedges of variable rate debt issuances are not recoverable in this calculation and are to be recorded above.

PREFERRED STOCK
12 Months Ending 12/31/2019 (actuals) for 2020

Appendix 2
Page 13a

		(1) Source	(2) Balances
1.	Preferred Stock Dividends	FF1, P.118, L.29	0
2.	Preferred Stock Outstanding	Note A & B FF1, P.251, L. 9 (f)	0
3.	Plus: Premium on Preferred Stock	Note A FF1, P. 112, L.6	0
4.	Total Preferred Stock	L.2 + L.3	0
5.	Average Cost Rate	L.1 / L.4	0.00%

Note A: Workpaper -- WP-12b.

Note B: Preferred stock outstanding excludes pledged and Reacquired (Treasury) preferred stock.

B-13b
COMMON EQUITY
12 Months Ending 12/31/2019 (actuals) for 2020

Appendix 2
Page 13b
(1)
Balances

(1)
Source

1.	Total Proprietary Capital	WP-12a, L.1, Col. a	4,172,535,336
	<u>Less:</u>		
2.	Preferred Stock (Acc 204, pfd portion of Acc 207-213)	WP-12a, L.1, Col.b+c+d	0
3.	Unappropriated Undistributed Subsidiary Earnings (Acc 216.1)	WP-12a, L.1, Col.e	(3,463,213)
4.	Accumulated Comprehensive Other Income (Acc 219)	WP-12a, L.1, Col. F	5,040,772
5.	Total Balance of Common Equity	L.1-L.2-L.3-L.4	4,170,957,777

ANNUAL FIXED COSTS
 PRODUCTION O & M EXPENSE
 EXCLUDING FUEL USED IN ELECTRIC GENERATION
 12 Months Ending 12/31/2019 (actuals) for 2020

	Account No.	Total Company (1)	(Demand) Fixed (2)	(Energy) Variable (3)	FERC Form 1 Reference
1. Coal Handling	501.xx	18,422,186		18,422,186	P.320, L.5, Col.(b) [Note D]
2. Lignite Handling	501.xx	0		0	P.320, L.5, Col.(b) [Note D]
3. Sale of Fly Ash (Revenue & Expense)	501.xx	(1,421,600)		(1,421,600)	P.320, L.5, Col.(b) [Note D]
4. Rents	507	0			Note E
5. Hydro O & M Expenses	535-545	0			Note E
6. Other Production Expenses	557	7,130,025	7,130,025		P.321, L.78, Col.(b)
7. System Control of Load Dispatching	Note C	16,356,645	16,356,645		P.321, L.77, L. 88, L. 92, P. 322, L. 121, Col.(b)
8. Other Steam Expenses	Note A	207,154,939	131,359,429	75,795,509	
9. Combustion Turbine	Note A	0		0	
10. Nuclear Power Expense-Other	Note A	0			
11. Purchased Power	555	413,014,666	55,882,578	357,132,088	P.321, L.76, Col.(b)
12. Total Production Expense Excluding Fuel Used In Electric Generation	Sum L.1-L. 11	660,656,861	210,728,678	449,928,184	
13. A & G Expense P.10, L.17		58,462,220	42,290,680	16,171,540	
14. Generator Step Up related O&M	Note B	249,448	249,448	0	
15. Total O & M		719,368,529	253,268,805	466,099,724	

NOTE A: Amounts recorded in O&M Expense Accounts classified into Fixed and Variable Components in accordance with P.15 and WP-14

NOTE B: FF1, P.321, L.93 & L.107 (ACCTS. 562 & 570) times GSU Investment to Account 353 ratio (See P.3, L.9)

NOTE C: Pursuant to FERC Order 668, expenses were booked in Account 556 are now being recorded in the following accounts: 561.4, 561.8 and 575.7

NOTE D: Subaccount details of FF1 Accounts from Company's books and records.

Reconciliation of System Control of Load Dispatching

System Control and Load Dispatching	2,239,090
Scheduling, System Control	6,557,271
Reliability, Planning and Standards Dev.	1,714,380
Market Facilitation, Monitoring and Compliance	5,845,904
Ln. 7, Pg. 14	16,356,645

NOTE E: Amounts included in Line 8.

CLASSIFICATION OF FIXED AND VARIABLE
PRODUCTION EXPENSES

Line No.	Description	FERC Account No.	Energy Related	Demand Related
1	POWER PRODUCTION EXPENSES			
2	Steam Power Generation			
3	Operation supervision and engineering	500	-	xx
4	Fuel	501	xx	-
5	Steam expenses	502	-	xx
6	Steam from other sources	503	xx	-
7	Steam transferred-Cr.	504	xx	-
8	Electric expenses	505	-	xx
9	Miscellaneous steam power expenses	506	-	xx
10	Rents	507	-	xx
11	Allowances	509	xx	-
12	Maintenance supervision and engineering	510	xx	-
13	Maintenance of structures	511	-	xx
14	Maintenance of boiler plant	512	xx	-
15	Maintenance of electric plant	513	xx	-
16	Maintenance of miscellaneous steam plant	514	-	xx
17	Total steam power generation expenses			
18	Nuclear Power			
19	Operation supervision and engineering	517		xx
20	Coolants and Water	519		xx
21	Steam Expenses	520		xx
22	Steam from other sources	521		xx
23	Less: ; Steam Transferred	522		xx
24	Electric Expenses	523		xx
25	Miscellaneous Nuclear Power Expense	524		xx
26	Rents	525		xx
27	Maintenance supervision and engineering	528	xx	
28	Maintenance of structures	529		xx
29	Maintenance of Reactor Plant Equip	530	xx	
30	Maintenance of electric plant	531	xx	
31	Maintenance of Misc Nuclear Plant	532	xx	
32	Total power production expenses Nuclear			
33	Hydraulic Power Generation			
34	Operation supervision and engineering	535	-	xx
35	Water for power	536	-	xx
36	Hydraulic expenses	537	-	xx
37	Electric expenses	538	-	xx
38	Misc. hydraulic power generation expenses	539	-	xx
39	Rents	540	-	xx
40	Maintenance supervision and engineering	541	-	xx
41	Maintenance of structures	542	-	xx
42	Maintenance of reservoirs, dams and waterways	543	-	xx
43	Maintenance of electric plant	544	xx	-
44	Maintenance of miscellaneous hydraulic plant	545	-	xx
45	Total hydraulic power generation expenses			
46	Other Power Generation			
47	Operation supervision and engineering	546	-	xx
48	Fuel	547	xx	-
49	Generation expenses	548	-	xx
50	Miscellaneous other power generation expenses	549	-	xx
51	Rents	550	-	xx
52	Maintenance supervision and engineering	551	-	xx
53	Maintenance of structures	552	-	xx
54	Maintenance of generation and electric plant	553	-	xx
55	Maintenance of misc. other power generation plant	554	-	xx

CLASSIFICATION OF FIXED AND VARIABLE
 PRODUCTION EXPENSES

Line No.	Description	FERC Account No.	Energy Related	Demand Related
	POWER PRODUCTION EXPENSES			
56	Total other power generation expenses			
57	Other Power Supply Expenses			
58	Purchased power	555	xx	xx
59	System control and load dispatching	556	-	xx
60	Other expenses	557	-	xx
61	Station equipment operation expense (Note A)	562	-	xx
62	Station equipment maintenance expense (Note A)	570	-	xx

Note A: Restricted to expenses related to Generator Step-up Transformers and Other Generator related expenses.
 See Note D, Page 6

PRODUCTION-RELATED DEPRECIATION EXPENSE
12 Months Ending 12/31/2019 (actuals) for 2020

	Depreciation Expense (1)	Demand (2)	Energy (3)
PRODUCTION PLANT			
<i>Depreciation and Amortization Expense</i>			
1. Steam	271,596,361	271,596,361	0
2. Nuclear	0	0	0
3. Hydro Conventional	4,193,787	4,193,787	0
4. Hydro Pump Storage	3,000,563	3,000,563	0
5. Int. Comb.	0	0	0
6. Other Production	22,332,901	22,332,901	0
7. Generator Step Up Related Depreciation (Note A)	1,411,328	1,411,328	0
8. Production Related General & Intangible Plant (Note B)	17,007,290	11,979,597	5,027,693
9. Total Production	319,542,230	314,514,538	5,027,693

Note: Lines 1 through 6 will be Depreciation Expense reported on P.336 of the FF1 excluding the amortization of acquisition adjustments - Workpapers WP -- 6d.

Line 8 will be total General & Intangible Plant (from P.336 of the FF1, adjusted for amortization adjustments) times ratio of Production Related General Plant to total General Plant computed on P.7, L.26, Col.(3)
Depreciation expense excludes amounts associated with ARO.

Note A: Line 7, see P.3, L.5

Note B:

a	Production Related General & Intangible Plant		
b	General Plant	WP 6d	6,951,645
c	Intangible Plant	WP 6d	25,113,120
d	Total General & Intangible Plant	Ln. b+ Ln. c	<u>32,064,765</u>
e	Production Demand Labor Allocator	Pg. 7, Ln. 26	<u>37.36%</u>
f	Production Demand Related General & Intangible	Ln. d x Ln. e	<u>11,979,597</u>
g	Production Energy Labor Allocator Pg. 7, Ln. 28	Pg. 7, Ln. 26	<u>15.68%</u>
h	Production Energy Related General & Intangible	Ln. d x Ln. g	<u>5,027,693</u>
i	Total Production Related General & Intangible Plant	Ln. f + Ln. h	<u>17,007,290</u>

PRODUCTION RELATED
TAXES OTHER THAN INCOME TAXES
12 Months Ending 12/31/2019 (actuals) for 2020

		SYSTEM			PRODUCTION
		REFERENCE	AMOUNT	%	Amount
			(1)	(2)	(3)
PRODUCTION RELATED TAXES OTHER THAN INCOME					
1	Labor Related	Note A	8,613,527	Note B	4,568,652
2	Property Related	Note A	77,589,457	Note C	35,757,154
3	Other	Note A	15,854,406	Note C	7,306,514
4	Production	Note A	30,425,398		30,425,398
5	Gross Receipts / Distribution Related	Note A	13,423,673	Note D	0
6	TOTAL TAXES OTHER THAN INCOME TAXES	Sum L.1 : L.5	145,906,461		78,057,718

Note A: Workpapers -- WP8c.

Note B: Total (Col. (1), L.1) allocated on the basis of wages & salaries in Electric O & M Expenses (excl. A & G), P.354, Col.(b) and Services shown on Worksheets WP-9a and WP-9b.

	Amount	%
(1) Total W & S (excl. A & G)	166,623,028	100.00%
(2) Production W & S	88,377,575	53.04%

Note C: Allocated on the basis of Gross Plant Investment from Page 6, Ln.7

Note D: Not allocated to wholesale

PRODUCTION-RELATED INCOME TAX
 12 Months Ending 12/31/2019 (actuals) for 2020

	Reference	Amount (1)	Demand (2)	Energy (3)
1. Return on Rate Base	P.5, L.18	246,422,569	231,931,462	14,491,106
2. Effective Income Tax Rate	P.19, L.2	21.23%	21.23%	21.23%
3. Income Tax Calculated	L.1 x L.2	52,321,093	49,244,303	3,076,790
4. ITC Adjustment	P.19, L.13	0	0	0
5. Income Tax	L.3 + L.4	52,321,093	49,244,303	3,076,790

Note A: Classification based on Production Plant classification of P.19, L.20 and L.21.

COMPUTATION OF EFFECTIVE INCOME TAX RATE
12 Months Ending 12/31/2019 (actuals) for 2020

Appendix 2
Page 19

Line No.	Source (1)	Rates & Amounts (2)
1.	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * P)\} =$	23.92%
2.	$\text{EIT}=(T/(1-T)) * (1-(\text{WCLTD}/\text{WACC})) =$	21.23%
3.	where WCLTD from pg. 11, L.1, Col.(4) and WACC from p. 11, L.4, Col.(4) and FIT, SIT & P as shown below.	
4.	$\text{GRCF}=1 / (1 - T)$	1.3145
5.	Federal Income Tax Rate	FIT 21.00%
6.	State Income Tax Rate (Composite)	SIT 3.70%
7.	Percent of FIT deductible for state purposes	P Note A 0.00%
8.	Weighted Cost of Long Term Debt	WCLTD 2.43%
9.	Weighted Average Cost of Capital	WACC 7.49%
10.	Amortized Investment Tax Credit (enter negative)	FF1, P.114, L.19, Col.c 0.00%
11.	Gross Plant Allocation Factor	L.19 46.09%
12.	Production Plant Related ITC Amortization	L. 10 X L. 11 0.00%
13.	ITC Adjustment	L.12 x L.4 0.00%
14.	<u>Gross Plant Allocator</u>	Total
15.	Gross Plant	P.6, L.4, Col.1 14,735,297,683
16.	Production Plant Gross	P.6, L.5, Col.2 6,790,771,970
17.	Demand Related Production Plant	P.6, L.5, Col.3 6,708,967,287
18.	Energy Related Production Plant	P.6, L.5, Col.4 81,804,684
19.	Production Plant Gross Plant Allocator	L.16 / L.15 46.09%
20.	Production Plant - Demand Related	L.17 / L.16 98.80%
21.	Production Plant - Energy Related	L.18 / L.16 1.20%

Note A: Percent deductible for state purposes provided from Company's books and records.

Appalachian Power Company
 Formula Rate Template - Capacity Rate
 DEPRECIATION RATES
 12 Months Ending 12/31/2015 (actuals)

Note: APCo will not change the depreciation or amortization rates shown on this page of the template absent a Section 205 or Section 206 filing.

STEAM PRODUCTION PLANT

Mountaineer Plant

311.0	Structures and Improvements	2.44%
312.0	Boiler Plant Equipment	2.75%
312.0	Boiler Plant Equipment - SCR Catalyst	6.99%
314.0	Turbogenerator Units	2.28%
315.0	Accessory Electric Equipment	1.80%
316.0	Misc. Power Plant Equipment	2.21%

Kanawha River Plant

311.0	Structures and Improvements	Retired
312.0	Boiler Plant Equipment	Retired
314.0	Turbogenerator Units	Retired
315.0	Accessory Electric Equipment	Retired
316.0	Misc. Power Plant Equipment	Retired

Amos Plant - Units 1 & 2

311.0	Structures and Improvements	2.03%
312.0	Boiler Plant Equipment	3.29%
312.0	Boiler Plant Equipment - SCR Catalyst	6.01%
314.0	Turbogenerator Units	3.32%
315.0	Accessory Electric Equipment	2.79%
316.0	Misc. Power Plant Equipment	3.10%

Amos Plant - Unit 3

311.0	Structures and Improvements	2.54%
312.0	Boiler Plant Equipment	3.56%
312.0	Boiler Plant Equipment - SCR Catalyst	7.63%
314.0	Turbogenerator Units	3.12%
315.0	Accessory Electric Equipment	2.17%
316.0	Misc. Power Plant Equipment	2.68%

Appalachian Power Company
Formula Rate Template - Capacity Rate
DEPRECIATION RATES
12 Months Ending 12/31/2015 (actuals)

Sporn Plant

311.0	Structures and Improvements	Retired
312.0	Boiler Plant Equipment	Retired
314.0	Turbogenerator Units	Retired
315.0	Accessory Electric Equipment	Retired
316.0	Misc. Power Plant Equipment	Retired

Clinch River Plant

311.0	Structures and Improvements	3.86%
312.0	Boiler Plant Equipment	4.73%
314.0	Turbogenerator Units	3.68%
315.0	Accessory Electric Equipment	4.37%
316.0	Misc. Power Plant Equipment	7.11%

Glen Lyn Plant #5

311.0	Structures and Improvements	Retired
312.0	Boiler Plant Equipment	Retired
314.0	Turbogenerator Units	Retired
315.0	Accessory Electric Equipment	Retired
316.0	Misc. Power Plant Equipment	Retired

Glen Lyn Plant #6
and Common

311.0	Structures and Improvements	Retired
312.0	Boiler Plant Equipment	Retired
314.0	Turbogenerator Units	Retired
315.0	Accessory Electric Equipment	Retired
316.0	Misc. Power Plant Equipment	Retired

Putnam Coal Terminal

311.0	Structures and Improvements	Retired
312.0	Boiler Plant Equipment	Retired
315.0	Accessory Electric Equipment	Retired
316.0	Misc. Power Plant Equipment	Retired

Appalachian Power Company
Formula Rate Template - Capacity Rate
DEPRECIATION RATES
12 Months Ending 12/31/2015 (actuals)

Central Plant Maintenance

316.0 Misc. Power Plant Equipment 2.51%

Central Machine Shop

316.0 Misc. Power Plant Equipment 2.70%

Little Broad Run

311.0 Structures and Improvements 3.34%

312.0 Boiler Plant Equipment 3.24%

315.0 Accessory Electric Equipment 3.41%

HYDRAULIC PRODUCTION PLANT

Claytor 331.0 Structures and Improvements 1.65%
332.0 Reservoirs, Dams, Waterways 1.10%
333.0 Waterwheels, Generators, Turbines 1.08%
334.0 Accessory Plant Equipment 2.16%
335.0 Misc Power Plant Equip 2.61%
336.0 Roads, Railroads, Bridges 0.71%

Byllesby 331.0 Structures and Improvements 5.54%
332.0 Reservoirs, Dams, Waterways 6.82%
333.0 Waterwheels, Generators, Turbines 5.93%
334.0 Accessory Plant Equipment 4.14%
335.0 Misc Power Plant Equip 6.73%

Buck 331.0 Structures and Improvements 4.49%
332.0 Reservoirs, Dams, Waterways 4.94%
333.0 Waterwheels, Generators, Turbines 4.10%
334.0 Accessory Plant Equipment 4.60%
335.0 Misc Power Plant Equip 5.84%
336.0 Roads, Railroads, Bridges 4.72%

Appalachian Power Company
Formula Rate Template - Capacity Rate
DEPRECIATION RATES
12 Months Ending 12/31/2015 (actuals)

Niagara	331.0	Structures and Improvements	2.58%
	332.0	Reservoirs, Dams, Waterways	5.09%
	333.0	Waterwheels, Generators, Turbines	4.00%
	334.0	Accessory Plant Equipment	4.89%
	335.0	Misc Power Plant Equip	4.83%
Reusens	331.0	Structures and Improvements	5.66%
	332.0	Reservoirs, Dams, Waterways	5.77%
	333.0	Waterwheels, Generators, Turbines	6.04%
	334.0	Accessory Plant Equipment	5.04%
	335.0	Misc Power Plant Equip	6.61%
Leesville	331.0	Structures and Improvements	1.04%
	332.0	Reservoirs, Dams, Waterways	1.66%
	333.0	Waterwheels, Generators, Turbines	1.33%
	334.0	Accessory Plant Equipment	2.09%
	335.0	Misc Power Plant Equip	2.12%
	336.0	Roads, Railroads, Bridges	0.93%
London	331.0	Structures and Improvements	2.61%
	332.0	Reservoirs, Dams, Waterways	2.40%
	333.0	Waterwheels, Generators, Turbines	2.72%
	334.0	Accessory Plant Equipment	2.59%
	335.0	Misc Power Plant Equip	2.80%
	336.0	Roads, Railroads, Bridges	1.68%
Marmet	331.0	Structures and Improvements	2.08%
	332.0	Reservoirs, Dams, Waterways	2.73%
	333.0	Waterwheels, Generators, Turbines	2.84%
	334.0	Accessory Plant Equipment	2.62%
	335.0	Misc Power Plant Equip	2.73%
	336.0	Roads, Railroads, Bridges	1.71%

Appalachian Power Company
Formula Rate Template - Capacity Rate
DEPRECIATION RATES
12 Months Ending 12/31/2015 (actuals)

Winfield	331.0	Structures and Improvements	2.32%
	332.0	Reservoirs, Dams, Waterways	2.14%
	333.0	Waterwheels, Generators, Turbines	2.46%
	334.0	Accessory Plant Equipment	2.40%
	335.0	Misc Power Plant Equip	2.26%
	336.0	Roads, Railroads, Bridges	2.44%

Smith Mount:	331.0	Structures and Improvements	1.31%
	332.0	Reservoirs, Dams, Waterways	1.22%
	333.0	Waterwheels, Generators, Turbines	2.24%
	334.0	Accessory Plant Equipment	2.45%
	335.0	Misc Power Plant Equip	2.67%
	336.0	Roads, Railroads, Bridges	1.09%

OTHER PRODUCTION PLANT

Ceredo	341.0	Structures and Improvements	1.33%
	344.0	Generators	1.44%
	345.0	Accessory Electrical Equip.	1.35%
	346.0	Misc Power Plant Equipment	2.84%

Dresden	341.0	Structures and Improvements	2.87%
	342.0	Fuel Holders, Producers, and Accessories	2.88%
	344.0	Generators	2.87%
	345.0	Accessory Electrical Equip.	2.89%
	346.0	Misc Power Plant Equipment	3.49%

Appalachian Power Company
Formula Rate Template - Capacity Rate
DEPRECIATION RATES
12 Months Ending 12/31/2015 (actuals)

GENERAL PLANT

390.0	Structures and Improvements	1.51%
391.0	Office Furniture and Fixtures	2.89%
392.0	Transportation Equipment	1.82%
393.0	Stores Equipment	1.76%
394.0	Tools, Shop & Garage Equip.	2.36%
395.0	Laboratory Equipment	2.65%
396.0	Power Operated Equipment	1.91%
397.0	Communications Equipment	4.06%
398.0	Misc Equipment	2.62%

INTANGIBLE PLANT

301.0	Organization	0.00%
302.0	Franchises & Consents	End of Life
303.0	Misc Intangible Plant	20.00%