

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-1:**

**GENERAL**

Please provide a copy of all responses to the information requests pertaining to the 2023 Updates and any related revised filings by all parties, along with the information requests, if those requests are not circulated to all customers. In addition, please provide this information on a continuing basis.

**Response:**

The Company has not received any other data requests regarding the 2022 Annual True Up. If we do, they will be forwarded to all parties.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-2:**

Please identify by nature and amount any errors that AEP has identified in any of the 2023 Updates. If so, describe the error or correction and its effect on the relevant ATRR. Specify AEP's plans for correcting each such error.

**Response:**

Please see JI-1-2 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-3:**

State whether AEP incurred or paid any monetary penalties for violations of North American Electric Reliability Corporation (“NERC”) Reliability Standards during 2022. If so, please respond to the following:

- a.: The amount of the penalties;
- b.: The FERC accounts where such penalties were recorded;
- c.: The nature of the alleged violation that gave rise to the penalty; and
- d.: The amount of the penalties included in each OpCo and/or TransCo 2023 Updates.

**Response:**

a. During 2022, AEP paid one settlement for FAC-009-1 R1, PRC-023-2 R1, FAC-008-3 R6, which was settled in 4Q2021 but paid in 1Q2022. The settlement was for \$570,000, which Transmission was assessed and paid \$484,500. Generation was assessed and paid \$85,500.

b. The transmission assessment of \$484,500 was accrued in account 2420700. The Generation assessment of \$85,500 was accrued in account 2420700 (\$85,000) and \$500 was expensed to 4263001.

c. The description of these violations is a matter of public record. It is available at the NERC site at [Public\\_FinalFiled\\_NOP\\_NOC-2747.pdf](#) (nerc.com) and the FERC eLibrary by searching for FERC Docket No. NP22-4. Using the descriptions directly from NERC’s Notice of Penalty, the nature of the violations in this settlement is as follows:

FAC-009-1 R1: The Regions determined that the Entity did not maintain accurate Facility Ratings for 21% of its Facilities, resulting in 586 inaccurate Facility Ratings across both the RF and MRO regions. Specifically, AEP had inaccurate ratings in 440 Facilities in the RF region, of which 228 required a reduction and 212 required an increase; and in the MRO region, 146 Facilities had inaccurate ratings, of which 71 required a reduction and 75 required an increase. While most inaccuracies were under 10%, the inaccuracies requiring decreases ranged up to 84% in the RF region and 49% in the MRO region; and the inaccuracies requiring increases ranged up to 119% in the RF region and 1,095% in the MRO region.

PRC-023-2 R1: The Regions determined that the Entity had nine instances where its transmission line Relay Trip Limit was not set above 150% of the highest seasonal Facility Rating of a circuit per Criteria 1. These nine instances arose out of upgrades or changes to relays or circuit breakers at various Facilities. When these changes were made, AEP failed to ensure that the transmission line Relay Trip Limits were appropriately adjusted to account for those changes.

FAC-008-3 R6: RF determined that the Entity did not have matching Isolated Phase Bus (ISO Phase Bus) equipment ratings between engineering correspondence and vendor drawings for Lawrenceburg 1, Lawrenceburg 2, and Waterford 1 Gas Turbines (GTs). As a result, the GT ISO Phase Bus rating was incorrect for Lawrenceburg GT1 and GT2, and Waterford GT1, GT2, and GT3. To correct this, AEPGR revised the FAC- 008 one-line drawings for the Waterford and

Lawrenceburg Combined Cycle (CC) Units to accurately reflect the revised ISO Phase Bus ratings. The revised ISO Phase Bus ratings became the Most Limiting Series Element (MLSE) for these CC GT MVA ratings during the summer and winter at Lawrenceburg 1 and 2, and the summer for Waterford 1, resulting in minor derates at Lawrenceburg 1 and 2 and at Waterford 1.

d. Account 426.3 is not a recoverable formula rate account.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-4:**

For each AEP West OpCo and TransCo, in relation to “Goodwill,” please provide the following:

- a.: Indicate whether “Goodwill” is reflected on the books of any of the OpCos or TransCos as of December 31, 2022. If so, please identify the relevant entity or entities, the transaction that generated the goodwill, and the balance sheet accounts used with the associated balance.
- b.: Identify any goodwill adjustments or write-offs recorded to income statement accounts during 2022 related to goodwill recorded on the books of any OpCo, Transco, or other affiliate.
- c.: Indicate whether any “Goodwill” or similar item of intangible value is reflected in any of the OpCo or TransCo capital structures as of December 31, 2022. If so, please identify the relevant entity or entities, the basis for the goodwill or other intangible value reflected, and the amounts reflected.

**Response:**

The operating companies and TransCos do not have any "Goodwill" or similar items of intangible value as of December 31, 2022

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-5:**

Please identify all charitable donation expenditures incurred during 2022 and included in each AEP West OpCo and TransCo 2023 Updates. This identification should include, but not be limited to:

- a.: Identification of the organization for which the expenditure or donation was made;
- b.: Identification of each amount during 2022;
- c.: Identification of the FERC Account(s) to which AEP West recorded the expenditure or donation and identify the associated OpCo or TransCo that recorded the cost;
- d.: Identification of all expenditures incurred in 2022 that would not have been incurred but for the charitable expenditure or donation, including the details on these expenditures requested in items a. through c. above; and
- e.: If there were no charitable donation expenditures incurred during 2022 that have been included in any of the OpCo and/or TransCo 2023 Updates, please identify the FERC Account(s) where such expenses were booked and their associated amounts.

**Response:**

Charitable donation expenditures are recorded in FERC Account 426 for both Operating Companies and Transmission Companies. FERC Account 426 is not included in formula rates.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-6:**

Please identify all expenditures for lobbying and other civic, political and related activities incurred during 2022 and included in each AEP West OpCo and TransCo 2023 Update. This identification should include, but not be limited to:

- a.: Identification of the organization for which the expenditure was made;
- b.: Identification of each amount during 2022;
- c.: Identification of the FERC Account where the donation was recorded and the associated OpCo or TransCo that recorded the cost;
- d.: Identification of all related expenditures incurred in 2022 that would not have been incurred but for the expenditure for civic, political and lobbying activities, including the details on these expenditures requested in items a. through c. above; and
- e.: If there were no lobbying and other civic, political and related activities expenditures incurred during 2022 that have been included in any of the OpCo and/or TransCo Updates, please identify the FERC Account(s) where such expenses were booked and their associated amounts.

**Response:**

All expenditures for lobbying and other civic, political and related activities incurred during 2022 are recorded to FERC Account 426 which is not included in formula rates.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-7:**

For each AEP West OpCo and TransCo, please identify the following related to major destructive events (i.e., storms, fires, etc.) for which costs were recorded in 2022:

- a.: The FERC Account(s) and corresponding amounts that were recorded related to restoration costs incurred for repair work.
- b.: Any pending insurance claims and the amounts associated with anticipated reimbursements from these claims.
- c.: The FERC Account(s) where the reimbursements in (b) above will be recorded.
- d.: Verify whether OpCo and TransCo self-insures for property insurance by setting aside reserves. If so, please identify what FERC Account these reserves are held.
- e.: Identify any instances where AEP West did not seek insurance recovery of costs covered by insurance policies, provide the expense account used to record restoration costs, and the reasoning for not making an insurance claim.

**Response:**

During 2022, the OpCos and TransCos did not have any major destructive events.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-8:**

Please specify the FERC account number(s) in which AEP West records payments and expenses resulting from employment practices that were found to be discriminatory by a judicial or administrative decree or that were the result of a compromise settlement or consent decree, and quantify any such amounts recorded by AEP West by FERC Account during 2022. For purposes of this request, such payments or expenses encompass amounts paid in compliance with any judgment or decree or in settlement of claims, and shall include the following:

- a.: Fines or penalties related to judicial or administrative decree imposed by governmental authorities;
- b.: Legal fees reimbursed to the plaintiffs;
- c.: In-house and outside legal costs in unsuccessful defense against charges of discriminatory practices;
- d.: Damage awards to plaintiffs;
- e.: Duplicate labor cost, such as back pay, bonus or other pay awards to plaintiffs where other employees have already been paid by the utility for prior services; and
- f.: Cost of reporting, training and recruiting undertaken as a result of a court order, administrative decree or settlement which are in addition to those which otherwise would be incurred to assure continuing equal employment opportunity.

**Response:**

Not applicable. The rate updates in this case do not include any such payments, expenses, penalties, or fines.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-9:**

Please explain if AEP's consolidated tax allocation agreement allows the allocation of the parent company tax loss to an entity that does not use the loss in the current income tax return or an amended tax return. If it is permitted under the tax allocation agreement, please (i) provide the accounting on the OpCos' and TransCos' books for parent company current losses not used in the current tax return (or an amended tax return) and (ii) explain the associated rate base impact in the 2023 Updates.

**Response:**

AEP's consolidated tax allocation agreement does not allow the allocation of the parent company tax loss to an entity that does not use the loss in the current tax return or an amended tax return. Parent losses are only allocated to members with current year income.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-10:**

For each OpCo and TransCo, please identify any components of Asset Retirement Obligations (ARO) costs included in the 2023 Updates. For purposes of this question, ARO costs include the following components: ARO asset, ARO accumulated depreciation, ARO liability, ARO depreciation and accretion expense, and ARO-related deferred income taxes. In response, please provide by entity and by ARO category, the amount of ARO cost included in the 2023 Update.

**Response:**

AROs are not included in Rate Base and thus not included in the 2023 update.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-11:**

In reference to AEP's request for approval from the FERC of Liberty's acquisition of the Kentucky Companies under Docket Nos EC23-56 and EC22-26, for each OpCo and TransCo, please provide the following:

a.: Identify all costs, by FERC Account, associated with these dockets related to the potential AEP-Liberty transaction, including costs and efforts to attempt to consummate the transaction, internal and external costs of due diligence (e.g. Executive, Accounting, HR, etc.), legal and other professional/third-party support to evaluate and execute the transaction, internal labor (including all labor incurred at AEPSC, corporate or any other AEP affiliate) and any expenses or labor incurred to obtain the requisite regulatory approvals (state and federal).

b.: A detailed explanation as to whether AEP incurred any fines/penalties that AEP was obligated to pay Liberty associated with withdrawing the application/transaction and failing to obtain approvals for the transaction.

c.: Identify where in each 2023 Updates template the amounts identified in subparts a. and b. were removed for each template.

**Response:**

a. PSO, SWEPCO, OKTCO, and SWTCO were not billed any costs related to Liberty's proposed acquisition of the Kentucky Companies under FERC Docket Nos. EC23-56 and EC22-26.

b. The company paid no fines or penalties to Liberty.

c. N/A.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-12:**

Please provide a list of the pension contributions (by fund and amount contributed), including the total dollar amount of such contributions, made by each OpCo and TransCo during 2022 and 2023 to-date.

**Response:**

The company has not made a pension contribution in 2022 or 2023.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-13:**

Please identify all FERC accounts used by each OpCo and TransCo to record pension expenses, accruals, deferrals, or other balance sheet items in 2022. To the extent it is not already discussed in the responses to other information requests, please explain the nature of the costs identified.

**Response:**

Account - Name – Description

1650010 - Prepaid Pension Benefits - This account record the cumulative balance of contributions to the qualified pension offset by actuarially determined cost.

1650014 - FAS 158 Qual Contra Asset -This account is used to track the long term portion of the FAS 158 PBO liability (Projected Benefit Obligation) for the Qualified Pension Plan when the net plan is still prepaid. This account offsets account 1650010.

1823165 - REG ASSET FAS 158 QUAL PLAN - This account is used to track Other Comprehensive Income (OCI) - Minimum Pension Liability, Qualified Pension Plan for regulated business units (SFAS 71).

2540165 - REG LIAB FAS 158 QUAL PLAN - This account is used to track Other Comprehensive Income (OCI) - Minimum Pension Liability, Qualified Pension Plan for regulated business units (SFAS 71).

2190006 - OCI-Min Pen Liab FAS 158-Qual - This account is used to track Other Comprehensive Income (OCI) - Minimum Pension Liability for the Qualified Retirement plan for non-regulated business units.

1900010 - ADIT Federal - Pension OCI - This account will be used to record Pension related accumulated deferred federal income tax related to Other Comprehensive Income (OCI) as required by SFAS 87 for non-regulated business units.

1290000 - Pension Net Funded Position - Pension net funded position will be recorded in this account per FERC Guidance on implementation of FAS 158.

1290003 - SFAS 87 - Pension - This account shall include provisions made by the utility and amounts contributed by employees for pensions where the funds are included in the assets of the utility. This account is used if the Pension is in an overfunded position. The 2283006 account is used if the pension is underfunded.

2283016 - FAS 158 Qual Payable Long Term - This account is used to track the long term portion of the FAS 158 PBO liability (Projected Benefit Obligation) for the Qualified Pension Plan.

2283006 - SFAS 87 - Pensions - This account shall include provisions made by the utility and amounts contributed by employees for pensions where the funds are included in the assets of the utility.

9260003 - Pension Plan - To record the Service components of the Qualified Pension plan cost.

9260062 - Pension Plan - Non-Service - To record the Non-Service components of the Qualified Pension plan cost.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-14:**

In reference to the Prepaid Pension Benefits (i.e. Prepaid Pension Benefits and FAS 158 Qual Contra Asset) included in the December 31, 2022, balance for each of the AEP West OpCos shown on the “WS D – Working Capital” tab for each company, please provide the following:

- a.: Calculations of or the derivation of the Prepaid Pension Benefit.
- b.: Identify any employee contributions included in the Prepaid Pension Benefit calculation.
- c.: A detailed description of what this amount represents, including the components that are included in each balance and their associated amounts.
- d.: State whether each component in (b) above is recorded in trust accounts.
- e.: Provide the name(s) of the business or regulatory authority to which these prepayments were made and their associated amounts.

**Response:**

- a. See attachment JI-1-14 Attachment 1 for a roll-forward of the AEP prepaid pension asset for 2022.
- b. The company did not make a contribution to the AEP qualified pension plan in 2022.
- c. The prepaid account is the cumulative balance of cash contributions the AEP pension plan offset by actuarially determined cost.
- d. and e. The AEP qualified pension assets are held in a trust at Bank of New York Mellon.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-15:**

Please provide a copy of each qualified pension plan for each OpCo and TransCo that is being requested for recovery as a prepaid Pension Asset or an accrued Pension Cost in rate base in the 2023 Updates calculation. In addition, please provide copies of any related amendments to such plans in 2022.

**Response:**

The Companies object to this request on the grounds that it is not reasonably calculated to lead to admissible evidence. Without waiving this objection, the Companies state as follows: Please refer to the Companies' response to Request No. 14 and the actuarial reports provided. The Companies have provided the amount and basis for recovery in the Companies' revenue requirement for the review period. The requested information therefore is not relevant to determine that the amount indicated is appropriately calculated.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-16:**

Please provide a copy of each non-qualified pension plan for each OpCo and TransCo that is being requested for recovery as a prepaid Pension Asset or an accrued Pension Cost in rate base in the 2023 Updates calculation. In addition, please provide copies of any related amendments to such plans in 2022.

**Response:**

The Companies object to this request on the grounds that it is not reasonably calculated to lead to admissible evidence. Without waiving this objection, the Companies state as follows: Please refer to the Companies' response to Request No. 14 and the actuarial reports provided. The Companies have provided the amount and basis for recovery in the Companies' revenue requirement for the review period. The requested information therefore is not relevant to determine that the amount indicated is appropriately calculated.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-17:**

In relation to any violations of city codes or ordinances, please identify the FERC account(s) and associated amounts where each OpCo or TransCo recorded any expenses associated with violations of city codes or ordinances. To the extent that any amounts were included in accounts included in the formula rate template, please identify where in the template these amounts were removed from rates.

**Response:**

There were no payments resulting from violations of city codes or ordinances in 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-18:**

In relation to Vendors or Other Persons expenses included in FERC Accounts 560-573 and Accounts 920-935, for each OpCo or TransCo, please provide the following:

a.: Provide the identities of all vendors or other persons that received payments included in these accounts, including detailed descriptions of services, line item details, broken down by transaction, date of payment, vendor name, amount of payment, purpose of payment, journal entry details etc. in Excel format by FERC account.

b.: Separately identify any category the vendors in subpart a. fall under (i.e. advertising expenses relating to promotional, institutional or civic memberships and other Operations & Maintenance (“O&M”) expenses).

**Response:**

The Companies object to this request as it is overly broad and voluminous.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-19:**

Please identify and quantify any extraordinary Transmission O&M expenses for 2022 included in the 2023 Update calculation for each OpCo and TransCo.

**Response:**

Please refer to JI-1-19 Attachment\_1 for a detailed listing of expenses, recorded in Transmission O&M accounts for 2022, that are outside the normal recurring transactions recorded for each OpCo and TransCo.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-20:**

For each OpCo or TransCo, please identify any costs incurred in 2022 paid to an entity retained with a primary or secondary purpose of engaging with elected officials or persuading legislation that is recorded in operating expense accounts. For each cost identified, please provide:

- a.: The name of the entity;
- b.: A description of the cost sufficient to justify the accounting for the cost; and
- c.: The amount incurred in 2022 and associated FERC account.

**Response:**

Lobbying expenses are recorded in 426.4 accounts for both Operating and Transmission Companies. These accounts are not recoverable in the formula rate.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-21:**

For each OpCo and TransCo, please list any rental revenues earned on assets included in General Plant and identify where such revenues are included in the formula rate templates.

**Response:**

The West OpCo's and Transco's ledgers are not kept in a manner that identifies the plant account of an asset that has rental revenue associated with it. Therefore an all inclusive report of revenues earned on General Plant is not available.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-22:**

For each OpCo and Transco, please provide any accounting error detected after initial closing for the year end or quarterly reporting period during 2022 that were not corrected for FERC Form 1 reporting purposes and impact accounts used in the transmission formula rate. The response to this question should be inclusive of all items, whether considered material or not. In addition, the response should provide a description of the error, the change needed to correct the error, and the amount of the error.

**Response:**

Please see JI-1-22\_Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-23:**

For each OpCo or TransCo, please identify all electric storage battery projects included in rate base of the transmission formula rate. For each identified electric storage battery project, please provide the functional FERC plant account within the formula rate such amounts are included in and the docket number to any FERC proceeding supporting that the storage project supports a transmission classification.

**Response:**

There are no energy storage battery projects recorded for any OpCo or TransCo.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-24:**

State whether, in the 2021-2022 timeframe, AEP implemented any changes in its accounting guidelines or procedures for any OpCo or TransCo that affected the manner in which costs or revenues reflected in that OpCo's or TransCo's ATRR calculations are recorded. If so, describe each such change including any impacted FERC accounts and accounting entries, specify the reason for the change, and quantify the impact of the change on the relevant ATRR.

**Response:**

There were no changes in accounting guidelines or procedures for the OpCos or TransCos that affected the manner of recordation of costs or revenues.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-25:**

Please provide a copy of the most recently completed audit of each OpCo and TransCo conducted by or on behalf of:

- a.: FERC;
- b.: Any state regulatory commission for each state in which AEP West conducts business;
- c.: Internal audit covering items included in the ATRR; and

d.: Any other entity with authority to conduct such audits.

Please provide all correspondence and other documentation related to any such audit commenced but not yet completed, including any audit commenced at any point during the review period applicable to the 2023 Updates.

**Response:**

The Company has engaged Price Waterhouse Coopers to audit the OpCo and TransCo GAAP financial statements for inclusion in AEP's SEC Form 10-K and the FERC financial statements for inclusion in the FERC Form 1. These opinions can be found in the financial statements and regulatory reports posted on AEP.com.

a. N/A

b. N/A

c. In 2021 and 2022 there were internal audits covering Transmission Formula Rate Billings and Transco Operations and Accounting processes. These audit reports are confidential and will be made available for inspection under a confidentiality agreement.

d. Other than the above-mentioned audits/reviews, there were no other audits performed by a regulatory agency of the west OpCos and/or TransCos in 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-26:**

Please provide information identifying, by account, any costs reflected in the 2022 ATRR calculation for any OpCo or TransCo that were incurred, or the basis for which occurred, before January 1, 2022. Explain the reasons for including such prior-period costs in the 2022 ATRR calculations. If any such cost items instead were recorded in a deferred asset account (e.g., Account 186) or other FERC account used to reflect costs awaiting future recovery, please provide a table describing each such item and specifying the amount of each such item, the account where the item was recorded, and when recovery of the deferred item will begin.

**Response:**

Neither the Operating nor Transmission Companies are aware of any material costs incurred before 2022 that were recorded in 2022 business, nor of any deferred costs awaiting future recovery.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-27:**

Please verify whether any O&M expenses were transferred or allocated from an OpCo to a TransCo. If yes, please provide the following:

- a.: A detailed list of the expenses that were transferred and their associated amounts transferred to a TransCo by FERC account; and
- b.: A description of the allocation methodology used to transfer the expenses from the OpCo to the TransCo.

**Response:**

The companies do not transfer costs amongst affiliates; however, AEP affiliates provide service to other AEP affiliates as a normal course of business. AEP uses a work order system to ensure that services provided by one business unit that benefit other business units are properly billed to the entities benefitting from that service. AEPSC is the primary service provider to the TransCo's. However, since the TransCo's do not have employees, they also rely on other AEP affiliates or third-party vendors to provide necessary services. All services provided to affiliates are billed at cost. Labor charges billed between AEP affiliates represent the fully loaded cost of labor, inclusive of benefits and administrative costs. Please refer to JI 1-27 Attachment 1 for the requested information.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-28:**

For each OpCo and Transco, please provide all journal entries recorded on the books in 2022 related to the amended income tax returns filed in 2021 or other prior years. Specifically, please provide any adjustments to the current or deferred tax accounts of all and identify any other accounts impacted by amended tax returns.

**Response:**

In 2022 journal entries were recorded for the amended 2021 tax return. The 2021 amended tax return was filed in 2023. Please see attachment JI-1-28 Attachment 1 for the journal entry detail including current and deferred tax accounts impacted. No other tax returns were amended in 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-29:**

To the extent AEPSC current and/or deferred income taxes are included in billings to the OpCos and TransCos, please explain:

- a.: Whether the current and deferred taxes of all items are included in billing. If not, explain which current and deferred tax items are billed and not billed.
- b.: The FERC account(s) the OpCos and TransCos record income tax billings.
- c.: Whether the billings in 2022 or prior years include adjustments to AEPSC's deferred tax balances associated with the Tax Cuts and Jobs Act of 2017. If so, provide the annual amounts of the adjustments.

**Response:**

- a. All AEPSC taxes are included in the billings to the OpCos and Transcos.
- b. When the taxes are billed to the affiliates for their share of the AEPSC taxes, the FERC Account is 9230003.
- c. The AEPSC billings do include excess amortization. In 2022, the amount of the excess benefit was \$1.5M.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-30:**

In reference to each of the OpCo's, in relation to property taxes, please:

- a.: Verify whether Real Estate and Personal Property Taxes continue to be incurred at property locations where generating units or plants were retired during 2022, and if so, will these taxes continue to be incurred at the same level after the retirement?
- b.: Identify and provide a detailed breakdown of any Real Estate and Personal Property Taxes which are included in the 2022 FERC Form 1, Page 114-117, Line 14, Column (c) that were incurred and booked for any generating unit that was retired during 2022 or prior to 2022.
- c.: Identify the date of retirement for any unit in subpart b.

**Response:**

- AEP Oklahoma Transmission has no generation assets.
- AEP Southwestern Transmission has no generation assets.
- Public Service of Oklahoma had no generating units or plants retired in 2022.
- Southwestern Electric Power had no generating units or plants retired in 2022. Dolet Hills Plant was retired in December 2021. No property taxes were incurred during 2022 related to the generation plant. Land is now classified as non-utility property. These taxes will be minimal.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-31:**

With regard to the amounts recorded in Account 403-403.1 (Depreciation Expense) and Account 404-405 (Amortization Expense) in the Q4 -2022 Form 60 of the Centralized Service Companies:

a.: Please provide the complete calculation of the reported amounts for depreciation expense and amortization expense for 2022 on the most detailed account basis available (i.e. by FERC account if applicable). If a pre-determined depreciation rate was applied to service company balances, provide the basis and source of the rate.

b.: To the extent that the calculations provided in response to part a. of this request incorporate a service life or amortization period, please provide all support for how these lives and amortization periods were determined. To the extent that life analysis was conducted, please provide all workpapers related to the study, including the data underlying the life study.

c.: To the extent that the calculations provided in response to subpart a. of this request incorporate a component of future net salvage, please provide all support for how this future net salvage was determined. To the extent that a net salvage analysis was conducted, please provide all workpapers related to the analysis, including the data underlying the net salvage analysis.

**Response:**

a. Please see JI-1-31 Attachment 1 for the requested information.

b. Each depreciation group shown in JI-1-31 Attachment 1 has its own depreciable life based on the assets or group of assets depreciable life. Depreciation groups for owned assets have an assigned depreciation rate. Depreciation groups for leasehold improvements use an end-of-life method of depreciation/amortization which ensures that the improvements are fully depreciated/amortized at the end of each lease term.

c. None of the groups shown in JI-1-31 Attachment 1 include a component for future net salvage.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-32:**

Please identify and describe all uncertain income tax positions existing during 2022 that any AEP West OpCo or TransCo did not record the applicable deferred income tax assets or liabilities on its books in 2022 and provide the income tax effect of all uncertain income tax positions not recorded on each AEP West OpCo's and TransCo's books at December 31, 2021 and at December 31, 2022.

**Response:**

There are no uncertain income tax positions existing during 2022 that AEP West OpCo or TransCo did not record the applicable deferred income tax assets or liabilities.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery**  
**FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors**  
**Set JI-1 of Data Requests**

**Data Request JI-1-33:**

In reference to the disclosures in the May 25, 2023 transmittal letters, for the 2023 Annual Update Filings for the AEP West OpCos and AEP West TransCos that the 2023 Updates include “the treatment of the Accumulated Deferred Income Taxes (ADIT) associated Net Operating Losses to a stand-alone basis rather than a consolidated basis, consistent with the filing for the prior year,” please provide:

- a.: A detailed description and illustration of this methodology for the 2022 AEP West ATRR calculations;
- b.: The reasons the AEP West OpCos and TransCos made the change from using a consolidated methodology to what AEP West OpCos and TransCos refer to as the stand-alone methodology for purposes of the 2022 ATRR calculations;
- c.: An explanation of the consolidated method used by the AEP West OpCos and TransCos regarding the treatment of deductible expenses claimed on the consolidated return and the measurement of and accounting for current and deferred income tax expense and ADIT, including ADIT associated with Net Operating Loss Carryforwards;
- d.: Copies of all accounting entries with supporting documentation (in a workable Excel spreadsheet) made during calendar year 2022 for the stand-alone method for ADIT for Net Operating Loss Carryforwards on the AEP West OpCos’ and AEP TransCos’ books;
- e.: An explanation of whether AEP West OpCos’ and TransCos’ adoption of the stand-alone method for ADIT for Net Operating Loss Carryforwards resulted in any changes in the AEP West OpCos’ and TransCos’ deductible expenses claimed on the AEP consolidated federal tax return and if changes occurred, please provide the specific details and amounts of those changes for the 2022 tax year;
- f.: An explanation of whether AEP West OpCos’ and TransCos’ adoption of the stand-alone method for ADIT for Net Operating Loss Carryforwards resulted in any changes to the AEP Tax allocation methodology or the AEP intra-corporate consolidated income tax agreement, and if changes occurred, please provide the specific details and amounts of those changes for all tax years affected;
- g.: An explanation of whether AEP West OpCos’ and TransCos’ adoption of the stand-alone method for ADIT for Net Operating Loss Carryforwards resulted in any changes in the method used by the AEP West OpCos and TransCos to measure, account for, and report in each company’s FERC Form 1 reports ADIT, including ADIT applicable to Net Operating Loss Carryforwards and the flow-back of ADIT, and if changes occurred, please provide the specific details and the amounts of those changes;
- h.: An explanation of whether the stand-alone method for ADIT for Net Operating Loss Carryforwards is limited to federal income tax Net Operating Loss Carryforwards or whether it also applies to Net Operating Loss Carryforwards for state income tax purposes, and if state Net Operating Loss Carryforwards are also considered in the adjustments for the stand-alone method, please identify the state income tax Net Operating Loss Carryforwards also factored into the

stand-alone NOL Adjustments for each AEP West OpCo's or TransCo's 2022 ATRR NOL Adjustments for December 31, 2021 and December 31, 2022;

i.: An explanation of whether AEP West OpCos' and TransCos' stand-alone method for ADIT for Net Operating Loss Carryforwards is limited to changes for ratemaking purposes in the 2022 ATRR calculations;

j.: An explanation of why each AEP West OpCo or TransCo does not record and report in FERC Form 1 the NOL Adjustments for the stand-alone method for ADIT for Net Operating Loss Carryforwards on each AEP West company's books;

k.: A listing and description of AEP retail or other FERC rates where the AEP West OpCos and TransCos have implemented the stand-alone method for ADIT applicable to Net Operating Loss Carryforwards;

l.: An explanation of how each AEP West OpCo and TransCo is compensated for the use of its tax deductions on the AEP consolidated tax return, all tax savings benefits realized on the consolidated return from the use of an AEP West OpCo's or TransCo's deductible expenses, and how those tax benefits are accounted for by each AEP West OpCo or TransCo;

m.: An explanation of why the AEP West OpCos and TransCos have characterized the method as stand-alone if the NOL Adjustment ratemaking calculations are based on each AEP West OpCo's or TransCo's separate tax return calculation and ignore the consolidated tax return's tax saving benefits attributable to each AEP West OpCo and TransCo;

n.: An explanation of why it is appropriate to ignore the impacts of the AEP consolidated tax return when tax deductions generated by an AEP West OpCo or TransCo that are for costs paid by AEP West transmission customers and are utilized to reduce the AEP consolidated tax liability and result in a tax savings benefit to the AEP consolidated tax group, but those tax savings benefits are ignored under AEP West OpCos' and TransCos' stand-alone method and excluded from the AEP West companies' ATRR calculations; and

o.: An explanation of when the AEP West OpCos and TransCos implemented the stand-alone method for ADIT for Net Operating Loss Carryforwards and identify the Transmission Revenue Requirement calculations (projected, annual, and true-up) where the AEP West OpCos and TransCos included NOL Adjustments for the stand-alone method.

**Response:**

The 2023 and 2022 AEP West ATRR ADIT are both presented on a Net Operating Losses stand-alone basis. There is no change in treatment between filings.

a. The AEP West Companies used the stand-alone methodology to calculate their ADIT-related NOLCs in the 2022 Annual Update. Consistent with the Commission's directives, they analyzed whether the relevant expense for tax purposes was included in each AEP West Companies' respective cost-of-service. The AEP West Companies' stand-alone methodology ensures that the taxes included in a utility's ratemaking are only the taxes associated with the revenues and expenses in the jurisdictional ratemaking. In this manner, when an expense is included in the cost of service of the utility, the tax reducing benefit of that expense is also included in the cost of service. Likewise, the tax burden from revenues is recognized when the revenues are taken into account.

b. The reason for the change was to align with the stand-alone methodology as described in Opinion No. 173 and to align with the normalization requirements within the Internal Revenue Code.

- c. The consolidated method for Net Operating Loss Carryforwards used prior to the 2022 Annual Update followed the GAAP treatment as opposed to the stand-alone treatment for ratemaking purposes. Deferred tax assets for Net Operating Loss Carryforwards were not recorded at the AEP West OpCos and TransCos books, rather, the taxable losses were combined with other affiliates taxable income which when resulting in net taxable income did not require the recording of the deferred tax asset, or when resulting in a net taxable loss were recorded as an allocation on each members books as a portion of the consolidated deferred tax asset.
- d. No accounting entries are made for the stand-alone method. The stand-alone method is for rate making purposes.
- e. The adoption of the stand-alone method for ADIT for Net Operating Loss Carryforwards did not affect the AEP consolidated federal tax return.
- f. The adoption of the stand-alone method for ADIT for Net Operating Loss Carryforwards did not affect the AEP Tax allocation methodology.
- g. The adoption of the stand-alone method fo ADIT for Net Operating Loss Carryforwards did not affect the company's FERC Form 1 reports for ADIT. The FERC Form 1 reports reflect the GAAP accounting for these items.
- h. The stand-alone method for ADIT for Net Operating Loss Carryforwards is limited to federal income tax Net Operating Loss Carryforwards.
- i. The stand-alone method for ADIT for Net Operating Loss Carryforwards is limited to changes for ratemaking purposes.
- j. The stand-alone method for ADIT for Net Operating Loss Carryforwards is for ratemaking purposes. The FERC Form 1 filings are filed in accordance with the book presentation which follows a consolidated NOL carryforward treatment in accordance with GAAP.
- k. For ratemaking purposes, a stand-alone net operating loss carryforward treatment has been implemented by AEP affiliate Kingsport Power Company in Tennessee retail rates and by AEP affiliates in the PJM RTO for FERC rates.
- l. Each taxable income producing company within the AEP consolidated tax group pays cash to the AEP parent for their share of the current year's tax. The AEP parent then pays cash to each loss generating company for their portion of the loss generated to the extent that those losses can be offset by income of the income producing companies. For GAAP purposes, the cash paid to the loss generating companies reduces the NOL deferred tax asset on their books.
- m. The stand-alone methodology used by AEP derives the NOLC deferred tax asset from the jurisdictional revenues and cost of service of the utilities and excludes the impact of activity outside the scope of providing those FERC jurisdictional services. This methodology provides the tax savings attributable to the filing of a consolidated tax return consistent with the benefits and burdens test as described in Opinion No. 173.
- n. See response to JI-1-33m above.
- o. See response to JI-1-33a and b above.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-34:**

For the AEP West OpCos' and TransCos' 2023 Update calculations, please identify each formula rate ATRR input at December 31, 2021 and December 31, 2022 that changed as a result of the implementation of the stand-alone method for ADIT for Net Operating Loss Carryforwards, the amount of each stand-alone adjustment if not readily identifiable in the ATRR worksheets (for instance, amortization of the excess/deficient ADIT adjustments recorded in Accounts 282 or 283 (as applicable) that affect the Excess Deferred Taxes input in the Income Tax Adjustment calculation), and the source of each ATRR NOL Adjustment with supporting worksheets and calculations (in a workable Excel spreadsheet) showing the derivation of each NOL Adjustment for each formula rate ATRR input.

**Response:**

Please see JI-1-34 Attachment 1. This file shows the change to the formula rate inputs for Account 190, 282, and 283 as a result of the Stand-Alone method of the ADIT for Net Operating Losses for December 31, 2020, and December 31, 2021. This file is supported by the NOL calculations shown in JI-1-40 Attachment 1. The adjustments are located on WS C for the OPCOs and Transcos.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-35:**

Please identify as of December 31, 2021 and as of December 31, 2022, the amount of Net Operating Loss Carryforwards (federal and state) that each OpCo and TransCo has on a consolidated basis and on a separate return basis and Net Operating Loss Carryforwards (federal and state) applicable to each OpCo's and TransCo's transmission function.

**Response:**

Please see JI-1-34 Attachment 1 for the federal consolidated and stand-alone Net Operating Loss Carryforwards. The Companies do not have state net operating losses in states for which a consolidated income tax return is filed. Any state net operating loss carryforward can be seen on Worksheets C-1 and C-2 and identified with the line # "014C-xx".

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-36:**

Please explain how AEP West OpCos' and TransCos' stand-alone method for ADIT for Net Operating Loss Carryforwards can be implemented within the existing OpCos' and TransCos' transmission formula rate tariffs without making a Federal Power Act section 205 rate filing and obtaining Commission approval of this change in each company's transmission formula rate template and protocols. Please specifically reference any portion of the protocols and formula rate templates that provide for implementation of a change, such as, AEP West OpCos' and TransCos' stand-alone method for ADIT for Net Operating Loss Carryforwards.

**Response:**

Worksheets C-1 and C-2 of the tariff include the flexibility to be expanded to include additional line item detail of individual ADIT items and define an Allocation Basis for each line item. This flexibility can be used to include the effect of a Stand-Alone NOL.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery**  
**FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors**  
**Set JI-1 of Data Requests**

**Data Request JI-1-37:**

Please provide a detailed description and technical analysis of the need and requirements for the change for AEP West OpCos' and TransCos' stand-alone method for ADIT for Net Operating Loss Carryforwards and how it complies with FERC regulations and precedent on the treatment of the book balances of ADIT and other sources of cost-free capital.

**Response:**

AEP's stand-alone methodology is consistent with FERC policy pronouncements regarding the allocation of current and deferred taxes to members of the affiliated group joining in the filing of a consolidated federal income tax return. Specifically, FERC Opinion No. 173 sets forth the relevant guidance for the application of the "stand-alone method" of allocating items of income and deduction for ratemaking purposes. Rather than focusing on the consolidated tax liability reflected on the consolidated federal income tax return, the stand-alone method "looks beneath the single consolidated tax liability and analyzes each of the deductions used to reduce the group's tax liability to determine the deductions for which each service is responsible." FERC Opinion No. 173, 23 FERC ¶ 61,396, at p.20. This method produces an income tax allowance "that takes into account the revenues and costs entering into the regulated cost of service without increase or decrease for tax gains or losses related to other activities . . . ." Id. at 17. The stand-alone method results in the tax allowance being "equal to the tax the utility would pay on the basis of its projected revenues less deductions for all operating, maintenance, and interest expenses included in the cost of service." Id. That is precisely the methodology applied by AEP West when including a ratemaking adjustment for the net operating loss carryforward (NOLC) deferred tax asset (DTA) in determining AEP West Companies' tax allowance. In other words, AEP West previously included a reduction to the net operating loss in the DTA to account for payments received from income generating affiliates, which took into "account the gains or losses related to other activities" not included in the regulated cost of service for each company. The ratemaking adjustment now being made by AEP West ensures that the net operating loss is properly calculated on a stand-alone methodology in that it takes into account only the "revenues and costs entering into the regulated cost of service." A consolidated DTA, used previously, includes tax payments from affiliated entities. A stand-alone DTA, the methodology adopted here, does not include tax payments from affiliated entities. The ratemaking adjustment to calculate the stand alone NOLC DTA is also required to comply with the normalization requirements of the Internal Revenue Code (IRC). Thus, until the tax benefit of the NOLC has actually been realized, there is no interest-free loan from the federal government, so the deferred tax reserve used to reduce rate base would be overstated without the NOLC offset. Without that offset, a normalization violation would occur with the resulting loss of the right to claim accelerated depreciation.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery**  
**FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors**  
**Set JI-1 of Data Requests**

**Data Request JI-1-38:**

Please explain what Internal Revenue Code, private letter rulings, normalization requirements and other IRS regulations AEP relies upon to address an affiliates' use of a regulated utility's Net Operating Losses in the context of a consolidated income tax return filing.

**Response:**

The IRC contains provisions<sup>[1]</sup> requiring utility ratemaking to apply a normalized method of accounting with respect to tax benefits associate with accelerated depreciation, NOLCs due to accelerated depreciation, and ITCs. With respect to accelerate depreciation, the normalization rules require that the federal tax expense in included in the cost of service for ratemaking use a method of depreciation and a depreciation period that is no shorter than the depreciation expense used in setting rates. <sup>[2]</sup> With respect to NOL carryforwards, the normalization rules require that the NOLC ADFIT be included in rate base to the extent that the NOLC is the result of accelerated depreciation.<sup>[3]</sup> The normalization rules require there to be consistency among ratemaking assumptions used in the revenue requirement for rate base, depreciation expense, tax expense, and ADFIT<sup>[4]</sup>.

In a series of Letter Rulings, the IRS has concluded that in order to avoid a normalization violation, the reserve for deferred taxes for the period used in determining tax expense in cost of service must take into account instances in which taxes are deferred due to accelerated tax depreciation creating a NOL.<sup>[5]</sup> The PLRs referenced do not specifically address tax allocation payments. Because stand-alone treatment is the standard in a ratemaking setting, the discussion of intercompany tax allocations is not relevant to the discussion for normalization purposes. The fact that tax sharing agreements among a consolidate group are not in common and none of the rulings discusses an intercompany payment suggest that none of the utilities who sought the PLRs attached any relevance to them.

In PLR 20178015 the taxpayer identifies the occurrence of tax sharing payments in the facts that are laid out to the IRS in the ruling request. Within the facts of the case, it is laid out that the utility had a NOLC on a stand-alone basis and that it also received an intercompany tax sharing payment from its parent related to the utility's NOLC. In making its ruling and resolving the normalization question for the utility, the IRS attached no significance to the tax sharing payment. The fact that the IRS simply ignored the tax sharing payment in its analysis further supports that the NOLC must be included in ratemaking on a stand-alone basis.

[1] Current IRC Section 168, former IRC Section 167(I)

[2] 26 U.S. Code §168(i)(9)(A)(i)

[3] Treas. Reg. § 1.167(l)-1(h)(1)(iii) and Private Letter Rulings issued by the IRS.

[4] 26 U.S.C. § 168(i)(9)(B).

[5] Private Letter Rulings 201436037; 201438003; 201519021; 201534001; 201548017; 201709008, 202010002.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-39:**

Please explain whether any of the AEP West OpCos or TransCos have filed for and/or have already received an IRS private letter ruling (“PLR”) concerning an AEP West OpCo’s and TransCo’s use of the stand-alone method for ADIT for Net Operating Loss Carryforwards for FERC or retail ratemaking purposes. If yes, please identify each filing and provide a copy of the request, additional communications with the IRS, and any issued PLR.

**Response:**

AEP filed private letter ruling requests for Southwestern Electric Power Company and Public Service Company of Oklahoma for Texas and Oklahoma jurisdictions on March 11, 2022. Copies of the PLRs are not being provided as they are confidential, specific to the state ratemaking jurisdiction for which they were requested, and therefore not directly applicable to FERC rates.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-40:**

Please explain how each AEP West OpCo or TransCo tracks and computes NOL Adjustments for implementation of the stand-alone method for ADIT for Net Operating Loss Carryforwards in their 2023 Formula Rate Updates and provide supporting worksheets (in a workable Excel format) for each AEP West company.

**Response:**

Please see JI-1-40 Attachment 1 for each company's NOL Schedules by vintage year and the computation of the adjustments to accounts 282 and 283 applicable for each company.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-41:**

Please explain the procedures used by each AEP West OpCo or TransCo to amortize all excess/deficient NOL Adjustment ADIT balances reflected in Accounts 282 and 283 (as applicable) resulting from the stand-alone method for ADIT for Net Operating Loss Carryforwards and provide supporting worksheets showing the calculation (in a workable Excel spreadsheet) of the Accounts 282 and 283 (as applicable) excess/deficient NOL Adjustment ADIT amounts by calendar year, any adjustments to or amortization of the amounts reflected in the NOL Adjustments for Accounts 282 and 283 (as applicable) by calendar year, and the amortization method used for all excess/deficient NOL Adjustment ADIT balances.

**Response:**

The amortization of the protected portion of the deficient NOL adjustment uses the average rate assumption method (ARAM) as the basis of amortization. The annual amortization is based on a ratio of the deficient tax related to the NOLC as compared to the original excess ADIT as of the final filing of the 2017 tax return. That ratio is applied to the annual protected excess amortization by functional books. This is consistent with how excess ADIT has been calculated and amortized on West OpCo and TransCos. Please see JI-1-40 for the supporting worksheets showing the calculation of the accounts 282 and 283 excess/deficient NOL Adjustment ADIT amounts.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-42:**

Please discuss and provide supporting documentation as to how the AEP West OpCos and TransCos determined that, under the AEP West stand-alone method ADIT for Net Operating Loss Carryforwards, certain of the 2022 ATRR NOL Adjustments made to Account 190 were determined to be related to the use of accelerated depreciation and provide copies of worksheets (in a workable Excel format) for each AEP West OpCo and TransCo showing the derivation of the Account 190 NOL Adjustment amount applicable to accelerated depreciation.

**Response:**

Please see JI-1-42 Attachment 1. AEP conducted “With and Without” tests to determine whether the NOL Carryforwards computed on a stand-alone basis are related to accelerated depreciation, and therefore, subject to IRS normalization requirements. The “With and Without” test is an approved IRS methodology that compares the cumulative taxable income or loss computed with and without accelerated depreciation. Through this test, AEP is able to see the direct impact of accelerated depreciation on each company’s cumulative taxable income or loss position.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-43:**

Please explain the reasons for the NOL Adjustments to Account 282 and 283 (as applicable) that result from the implementation of the stand-alone method for ADIT for Net Operating Losses and that the Accounts 282 and 283 (as applicable) will increase or decrease over time.

**Response:**

The annual amortization is based on a ratio of the deficient tax related to the NOLC as compared to the original excess ADIT as of the final filing of the 2017 tax return. That ratio is applied to the annual protected excess amortization by functional books. This is consistent with how excess ADIT has been calculated and amortized on West OpCo and TransCos. Please see JI-1-40 Attachment 1 for the supporting worksheets showing the calculation of the accounts 282 and 283 excess/deficient NOL Adjustment ADIT amounts.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-44:**

Please identify, explain, and provide the calculation of the allocators used by each AEP West OpCo and TransCo to allocate the Accounts 190, 282 and 283 NOL Adjustment balances (as applicable) at December 31, 2021 and December 31, 2022 resulting from the implementation of the AEP West stand-alone method for ADIT for Net Operating Loss Carryforward.

**Response:**

Please see response to JI-1-40.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-45:**

Please identify, explain, and provide the calculation of the allocators used by each AEP West OpCo and TransCo to allocate the amortization of excess/deficient NOL Adjustment ADIT resulting from AEP West's stand-alone method for ADIT for Net Operating Loss Carryforwards that is an input to the Excess Deferred Taxes input used in the 2022 ATRR Income Tax Adjustment calculation and explain why the PTD allocator is used for the Account 1901001 NOL Adjustments and the 100% Transmission allocator is used for the Accounts 2821001 and 2831001 NOL Adjustments.

**Response:**

Please see the response to JI-1-40 for the calculation of allocators used by each AEP West OpCo and TransCo. The PTD allocator is used in account 1901001 for the actual NOL Adjustment. The 100% Transmission allocator is used for Account 2821001 and 2831001 only because it includes the excess or deficient amounts on the NOL.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-46:**

For each OpCo and TransCo, please provide the “Tax File” (in workable Excel format if applicable) associated with ADIT items in Worksheets C-1 and C-2.

**Response:**

Please see JI-1-46 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-47:**

Please provide worksheets (in a workable Excel format), schedules, and all supporting documentation of the AEP West OpCos' and TransCos' computations of the NOL Carryforwards computed on a stand-alone basis beginning with the first tax year and identifying any increases or decreases of any tax year's stand-alone NOL Carryforwards amounts due to the utilization of those NOL Carryforwards on a stand-alone basis, amortization of any stand-alone NOL adjustments, and for any other reason(s). Please explain and describe any increase or decrease in the stand-alone Carryforwards amounts caused by each "other" reason.

**Response:**

Please see the response to JI-1-34. The computation of the NOL Carryforwards on a stand-alone basis were completed on a NOL vintage year schedule. The NOL vintage year schedule shows the utilization of loss carryforwards by year.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-48:**

In reference to the response to question JI-1-47, with regard to the tracking of NOL Carryforwards balances on a stand-alone basis, please provide the calculation of the Accounts 190, 282 and 283 (as applicable) balances for each tax year's stand-alone NOL Carryforwards balances beginning with the first tax year stand-alone NOL Carryforward balances were identified and identify any adjustments to any beginning of year or end of year NOL Carryforward balances and the reasons for those adjustments.

**Response:**

Please see response JI-1-40.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-49:**

Please provide the AEP West OpCos' and TransCos' worksheets and calculations (in a workable Excel format) showing:

- a.: The impact of the Tax Cuts and Jobs Act (TCJA) and the remeasurement of the ADIT NOL Adjustment balances applicable to the stand-alone method for ADIT for Net Operating Loss Carryforwards showing the NOL Adjustment ADIT balances prior to the effective date of the TCJA and after the effective date of the TCJA;
- b.: The changes in the NOL Adjustment ADIT balances by tax year after implementation of the TCJA for any increases or decreases due to the utilization of stand-alone NOL Carryforwards, amortization of the stand-alone NOL Adjustment ADIT balances, or for any other reason(s); and
- c.: The method used to amortize any excess or deficient NOL Adjustment ADIT balances resulting from the implementation of the stand-alone method for ADIT for Net Operating Losses.

**Response:**

- a. Please see response JI-1-40.
- b. Please see response JI-1-40.
- c. The method used to amortize the protected deficient tax is based on a ratio of the Total 2017 TCJA Deficient Tax Balance over the Total 2017 Protected Excess ADIT balance. The protected excess amortization which is based on ARAM is then multiplied by this ratio to determine the deficient tax amortization. This approach will amortize the deficiency at the same rate that the protected excess is amortized, maintaining the ARAM rate of amortization that is determined by book/tax timing difference on depreciation calculated by the Power Tax Software.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-50:**

Please identify any filings made with FERC to obtain Commission approval pursuant to Order No. 864 or any other FERC proceeding of the AEP West OpCos' and TransCos' TCJA remeasurement of the ADIT ratemaking NOL Adjustments resulting from the implementation of the stand-alone method for ADIT for Net Operating Loss Carryforwards and the amortization of any resulting excess and deficient ADIT ratemaking NOL Adjustments that the AEP West OpCos and TransCos included in the 2022 ATRR calculations.

**Response:**

There have not been any specific filings made with FERC to obtain Commission approval pursuant to Order No. 864 with respect to the stand-alone NOL treatment. The Companies have made filings to comply with Order No. 864. However, the Company did not seek approval of any specific ADIT amounts; rather, the Companies sought that its proposed tariff changes were just and reasonable and consistent with the requirements of Order No. 864.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-51:**

In reference to question JI-1-50, please provide copies of any FERC orders issued on the AEP West OpCos' and TransCos' remeasurement of the ratemaking adjustments as a result of the TCJA and the AEP West OpCos and TransCos include in their 2023 Updates calculations resulting from the implementation of the stand-alone method for ADIT for Net Operating Loss Carryforwards.

**Response:**

Not Applicable

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-52:**

As of the date of AEP West's response to this question, please explain the status of the AEP West OpCos' and TransCos' TCJA Order No. 864 compliance process and identify any pending TCJA compliance filings and unresolved issues.

**Response:**

The AEP West Transmission Companies' order 864 compliance filing made in Docket No. ER20-2577 was accepted on April 14, 2023. The Company is still awaiting the acceptance of the order 864 compliance filing made for the AEP West Operating Companies in Docket No. ER20-2574. The Company recently made a compliance filing and a subsequent supplemental filing in that docket on May 25, 2022 and August 11, 2023, respectively.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-53:**

In reference to questions JI-1-50 and JI-1-51, please explain why the AEP West OpCos' and TransCos' have not sought Commission approval pursuant to Order No. 864 to remeasure the ADIT ratemaking NOL Adjustments and to include amortization of the resulting excesses/deficiencies through the AEP West OpCos' and TransCos' 2023 Updates calculations.

**Response:**

In approving AEP's Order No. 864 compliance filings, the Commission did not approve specific EDIT amount. However, the Commission found that AEP's proposed changes to its respective Formula Rate templates were just and reasonable and consistent with the requirements of Order No. 864.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-54:**

Regarding the AEP West OpCos' and TransCos' method for implementing ratemaking NOL Adjustments for the stand-alone method for ADIT for Net Operating Loss Carryforwards, please explain why the AEP West OpCos' and TransCos' NOL Adjustments to Accounts 190, 282, and 283 (as applicable) are ultimately entered as single entry adjustments as the "NOL Adjustment Contra" entry for each ADIT account is "Not Applicable" and thereby ignored for ATRR purposes and there are no other offsetting or contra ratemaking adjustments included in the OpCos' and TransCos' 2023 Updates calculations.

**Response:**

The NOL Contra timing difference is included in the exclusions column to ensure the rate properly reflects the NOLs on a stand-alone basis consistent with FERC precedent and as originally proposed by the Joint Customers. Contrary to the question, there are other uses of contra-ratemaking adjustments in the formula rate.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-55:**

Please explain what will happen to the Accounts 282 and 283 (as applicable) ratemaking NOL Adjustment balances for excess and deficient ADIT when all of the NOL Adjustments for stand-alone ADIT for Net Operating Losses Account 190 have been zeroed out because all of the stand-alone NOL Carryforwards have been fully utilized on a stand-alone basis. How will the remaining Accounts 282 and 283 (as applicable) ratemaking NOL Adjustment balances for NOL Carryforwards be extinguished or settled and no longer included in ATRR calculations?

**Response:**

The related balances recorded in Account 2821001 and 2831001 will reduce towards a zero balance as the deficient taxes are amortized. The deficient taxes are based off of the stand-alone NOLC balance as of TCJA 2017. Therefore, the beginning balance of the deficient taxes related to the stand-alone NOLC does not change as the losses are absorbed by taxable income in tax years after 2017. The account balance of 1901001 would reduce as the NOL DTA is absorbed by taxable income. However, it does not impact the balance of the 2821001 or 2831001 as those accounts are related to the tax rate change from 35% to 21%. The account 2821001 balances will be settled when the excess balances, net with the deficient taxes, are fully amortized via ARAM. The 2831001 balances will be settled when all of the unprotected is amortized and refunded back to customers.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-56:**

For each AEP West OpCo and TransCo, please identify any changes in the December 31, 2021 NOL Adjustment inputs and/or the amount of the NOL Adjustment allocated to the transmission function for Accounts 190, 282, and 283 used in the 2021 ATRR True-up calculations as compared to the December 31, 2021 NOL Adjustment inputs and allocations to the transmission function for Accounts 190, 282, and 283 used in the 2023 Updates calculations. For any identified changes, please explain the reason(s) for each change for each AEP West company.

**Response:**

Please see response JI-1-40.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-57:**

Please identify any changes made by AEP West in its method of computing the stand-alone NOL ratemaking adjustment inputs and amortization of any excess or deficient ADIT ratemaking adjustment inputs for its 2022 ATRR calculations as compared to the method used for the AEP West 2021 ATRR True-up calculations.

**Response:**

There are no changes in the method of computing the stand-alone NOL ratemaking adjustment inputs and amortization of excess or deficient ADIT ratemaking adjustments.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-58:**

For each AEP West OpCo and TransCo, please identify where on the 2022 ATRR and True-Up Formula Rate Worksheet C-4, Excess Deferred Income Taxes, Worksheet C-5, Excess/Deficient ADIT Worksheet for Total Company and Functional Balances, Worksheet C-5-A, Tax Remeasurement Worksheet, and Worksheet C-5-B, Tax Remeasurement Worksheet, show the derivation of: (i) the TCJA remeasurement of the Account 190 stand-alone NOL Carryforwards Adjustments, (ii) the TCJA Account 282 and 283 deficient ADIT Adjustments for the Account 190 stand-alone NOL Adjustments; and (iii) the TCJA amortization of the Account 282 and Account 283 deficient ADIT Adjustments.

QUESTIONS APPLICABLE TO EACH OPCO AND TRANSCO

**Response:**

The adjustments for (i), (ii), and (iii) are not included in C-4, C-5, C-5-A, or C-5-B. The adjustments are included in C-1 and C-2.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-59:**

In reference to SWT Worksheet C-1 ADIT EOY of the 2022 ATRR and True-Up calculations, the worksheet includes an entry for Account 1901001, Line 44, “960A NOL – Deferred Tax Asset Reclass” with a zero balance: SWT Worksheet C-2 ADIT BOY also includes an entry for Account 1901001, Line 44, for the same item but the balance is a debit of \$37,386. On SWT Worksheets C-1 and C-2, the entries for Line 44 are allocated 100% to the Transmission function (Excel Column (k)) and are used as adjustments to SWT’s rate base. Please provide:

- a.: An explanation of the ADIT balance listed and described on Line 166 of SWT Worksheets C-1 and C-2 at December 31, 2022 and December 31, 2021, respectively, and what book/tax differences the ADIT balances are applicable to; and
- b.: An explanation of why the “960A NOL – Deferred Tax Asset Reclass” balances are recorded on SWT’s books and included in the 2022 ATRR and True-Up calculations as well as the ratemaking adjustments “NOL Adjustment” for Account 1901001 entered on Line 45 of Worksheets C-1 ADIT EOY and C-2 ADIT BOY.

**Response:**

- a. The ADIT balance listed on Line 44 of SWT Worksheets C-1 and C-2 are the net operating loss carryforwards accrued on the GAAP financial statements at the respective year ends.
- b. The ADIT recorded on Line 45 of SWT Worksheets C-1 and C-2 are the incremental NOLC deferred tax asset on a stand-alone basis as compared to the NOLC recorded on the company's GAAP financial statements.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-60:**

For each TransCo, OKT and SWT recorded amounts of \$0 for Accounts 182.2 – Unrecovered Plant and Regulatory Study Costs and 183 –Preliminary Survey and Investigation Charges as shown on each respective 2022 FERC Form 1, Pages 110-111. Please provide the following:

a.: An explanation as to why there are no amounts recorded to Accounts 182.2 – Unrecovered Plant and Regulatory Study Costs and 183 –Preliminary Survey and Investigation Charges as shown on each respective company’s books;

b.: Identify where these types of costs are recorded by FERC account and associated amount for each TransCo; and

c.: To the extent that SWT and OKT did not perform study costs or preliminary survey and investigations in 2022, please explain why that is not part of their business practices.

**Response:**

There was no activity related to the companies in question during 2022.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-61:**

For each OpCo and TransCo, please state whether any tax credits were purchased to offset income tax liabilities in 2022. If yes, please provide the following:

- a.: State whether any prepayments were included in WS-D of the respective 2023 Update and the associated amounts;
- b.: State the year in which the tax credits were meant to be applied to; and
- c.: State whether the tax credits were sold. If yes, identify the FERC account(s) and associated amounts where the revenues were recorded.

**Response:**

The Companies did not purchase any tax credits in 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-62:**

For each OpCo, please (i) thoroughly describe and (ii) provide documentation and calculations supporting the 2022 monthly balances for the following prepayment items:

- a.: PRW Without MED-D Benefits; and
- b.: FAS 158 Contra-PRW Exclude Med-D.

**Response:**

- a. For each AEP operating company, the Prepaid PRW Benefit (account 1650035) represents the cumulative activity of cash contributions into the Medical Trust, actuarially determined PRW expense, Med-D subsidy reimbursements, and Key employee claim payments. See attachment JI-1-62 Attachment 1 for a table showing the monthly components in this account for 2022 for PSO and SWEPCO.
- b. AEP tracks Med-D subsidy reimbursements in account 1650035. The company no longer has a need to track the Med-D activity in a separate account.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-63:**

For each OpCo, please provide a detailed explanation as to why there were prepayments associated with HSA seed contributions included in the formula rate templates based on labor given the Company's agreement in preliminary challenge No. 33 in the 2020 Annual Update for the 2019 True-up that these prepayments should have been excluded. To the extent that AEP West believes these should be included, please provide a detailed explanation. See the following references in each of the templates:

a.: SWEPCO WS D Working Capital, Line 7 Prepaid Employee Benefits, \$121,271, HSA Seed Monies.

b.: PSO WS D Working Capital, Line 7, Prepaid Employee Benefits, \$97,971, HSA Seed Monies.

**Response:**

The actual description for both a and b is to adjust for H S A, Taxes & Garnishments prepaid in June for July 2022. Review of the data requests from the 2020 Annual Update, these amounts should have been excluded and will be listed in JI-1-2 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-64:**

For PSO and SWEPCO, Pole Attachment Revenues, please provide the following:

- a.: Supporting documentation and calculations as to how the transmission portion of pole attachments were derived;
- b.: The FERC account(s) and associated amounts the revenues were recorded; and
- c.: Identify where in the formula rate template these revenues have been included. To the extent that have not been included, please provide an explanation.

**Response:**

- a. & b. Please see JI-1-64 Attachment 1.
- c. The revenues were included in Worksheet H - Revenue Credits.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-65:**

Please provide a copy, for each OpCo and TransCo, of a complete chart of accounts, i.e., a listing of each account and subaccount number and corresponding account title effective as of the date of its instant annual update. For each account and subaccount number, please:

- a.: Provide a brief text description of the types of costs or revenues to be recorded in the account or subaccount number (to the extent readily available);
- b.: Indicate the FERC Account Number to which accounts and subaccounts used for non-USoA purposes map (e.g., general ledger account numbers); and
- c.: Identify any material changes to the chart of accounts effective as of the date of each OpCo or TransCo's instant annual update and each respective prior annual update.

**Response:**

Please see JI-1-65 Attachment 1.

**Date:**            9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-66:**

For each OpCo, please provide a detailed discussion of the accounting for leases included in the 2022 FERC Form 1s. In addition, please discuss any change in accounting policies for leases since 2021 and verify whether any OpCo implements accounting practices to capture the non-principal portion of transmission, distribution, or production related capital lease payments within Account 931 or any other Administrative and General (“A&G”) account.

**Response:**

There is only one change in accounting policy for leases since 2020.

Regulated capital lease interest expense hitting O & M accounts has been reclassified to account 9310005 since 2019. This process changed in 2QTR 2022 based on FERC’s directive.

The reclassification will move the reporting of interest on capital leases as “interest expense” from GAAP and FERC reporting to GAAP reporting only. After the reclassification, FERC reporting will reflect interest on capital leases (non-principal portion of lease payments) in the natural O&M accounts they are charged to through the normal processes for fleet and IT capital leases.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-67:**

Please identify any lease costs (e.g., capital, financing, operating) that are included in any component or input of the OpCos or TransCos 2022 True-Up calculation (for example, utility plant, debt, interest expense, rents, other O&M and A&G expenses, deferred income taxes, taxes other than income taxes, etc.) and identify the related utility plant function (e.g., general, transmission, or distribution).

**Response:**

Lease costs are not included in any component or input for the OpCos or TransCos 2022 True-Up calculation.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-68:**

Please identify any lease costs that are included in any component of each of the OpCo and TransCo 2023 Update calculations (for example, plant in service, accumulated provision for depreciation or amortization, depreciation or amortization expense, interest expense, rents, other O&M and A&G expenses, ADIT, taxes other than income taxes, etc.) and provide a description of the leased property and terms of each lease agreement.

**Response:**

Lease costs are not included in any component or input for the OpCos or TransCos 2023 Update calculations.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-69:**

With respect to leases, please state whether any OpCo or TransCo makes any lease payments to AEPSC, to another OpCo or TransCo, or any other affiliate during calendar year 2022. If yes, please provide a copy of the terms of each lease payment, including the components and assumptions utilized to compute each payment amount.

**Response:**

There are no such lease payments being made to AEPSC or another OPCO or TRANSCO.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-70:**

Please identify all leases (i.e., General Plant, Transmission Plant) and any related lease amounts that are included in any component of any OpCo or TransCo 2023 Updates calculation (for example, rents expense, A&G and O&M expenses, ADIT, expenses including taxes other than income taxes).

**Response:**

Please see JI-1-70 Attachment 1, 2022 for West CR Details.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-71:**

For each OpCo and TransCo, please identify any leases that the utility capitalized for book purposes, quantify the amount of the lease capitalized, and explain the basis for the capitalization (see, e.g., PSO Worksheet C-1, Excel row 43). Also, please identify any leases included in AEP West's 2023 Updates.

**Response:**

Please see JI-1-71 Attachment 1, NBV report for capital leases as of 12/31/2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-72:**

Please state whether any OpCo or TransCo received any revenues from payments made by others for right of way (“ROW”) use from or for utility pipelines. If so, provide a detailed breakdown of such payments and reconcile those amounts to each 2022 FERC Form 1 and to the revenue credits included in the 2023 Updates for each OpCo or TransCo.

**Response:**

No revenues or payments were made by others for ROW use from or for utility pipelines in 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-73:**

Please indicate whether the OpCo or TransCo 2023 Updates include any costs in AEP's transmission plant accounts (e.g., FERC Account 350 - Land and Land Rights) for use of rights-of-way on land owned by others. If yes, please:

a.: Provide the amounts that were booked during 2022 and the FERC plant account number in which the balances were booked; and

b.: For any amounts for land rights that are for land rights on property owned by an affiliate, identify the affiliate and identify the classified FERC Plant Account Number(s) to which the affiliate records the property amounts (to the extent that the affiliate is subject to the Uniform System of Accounts).

**Response:**

Please see JI-1-73 Attachment 1 for details of the Land Rights for capitalized land costs for land owned by others. OKT incurred costs totaling \$78,064 for the joint use of land and land rights during 2022 recorded in FERC account 567 for payments made to PSO.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-74:**

Please indicate whether the OpCo or TransCo 2023 Updates include expenses incurred during 2022 related to payments for land rights (e.g., land rent or land lease) made for use of rights-of-way on land owned by others. If yes,

a.: Please quantify the amounts by FERC Account in which such expenses were recorded (e.g., FERC Account 567 - Rents); and

b.: For any payments made to affiliates, identify the affiliate and identify the classified FERC Plant Account Number(s) to which the affiliate records the property amounts (to the extent that the affiliate is subject to the Uniform System of Accounts).

**Response:**

Please see JI-1-73 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-75:**

Please provide the following related to spares with voltages between 34kV and 755 kV:

- a.: Amounts expensed or capitalized attributable to spares by FERC account.
- b.: Number of spares purchased in 2022.
- c.: Number of spares retired and/or scrapped.
- d.: Number of spares placed into service in 2022 and the reason they were required. For anything that was replaced, please provide details of the age and condition.
- e.: Identify any spares that were transferred between OpCos and TransCos and their associated amounts by FERC account.

**Response:**

Please see JI-1-75\_Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-76:**

In relation to fiber buildout for “Smart Grid,” as defined by AEP on its website <https://www.aepsustainability.com/energy/reliability/>, please provide the following:

- a.: A detailed tabulation, including associated amounts, by FERC account of where these expenses are recorded;
- b.: How are the expenses determined to be distribution or transmission? What methodologies are used? Please provide an electronic copy of the most recent study performed to support the allocation methodology used to determine the allocation of expenses to distribution or transmission;
- c.: What amount of bandwidth is being used to transfer data to transmission control centers versus distribution control centers; and
- d.: State whether AEP has reviewed the bandwidth since the inception of the program. If not, please provide an explanation as to how often AEP intends to do an analysis.

**Response:**

- a. Please see the requested information in JI-1-76 Attachment 1.
- b-d. The fiber optic cable to support Transmission is a Transmission asset. At the beginning of the program, a bandwidth review, or analysis, was conducted and the asset was split 95/5 Transmission/Distribution based upon current circuit usage as measured on the AEP System fiber support backbone. AEP’s transmission and distribution control centers have multiple groups within each facility, making it impossible to distinctly define who is utilizing how much of the aggregated bandwidth at any specific location. AEP uses Quality of Service (QoS) to make sure critical traffic gets first priority. Other facility users’ usage will vary depending upon their current requirements and daily usage. The review, or analysis, was conducted in the context of forward-looking estimates of future needed infrastructure and associated estimated cost. The Companies further note that the actual incurred costs associated with this program relate to telecommunications networks necessary for the operation and deployment of the applications and technologies that are required between transmission stations and from transmission stations back to company facilities such as service centers, operations centers, and general office buildings. The fiber cable is being classified as a transmission asset because it is used to control and operate equipment installed on the transmission grid. The actual costs reflected in the transmission revenue requirement for the Companies does not include the approximately 5% capital costs associated with distribution functions and are not based on the estimate calculations provided in JI-1-76 Attachment 1, but rather on actual costs recorded in the Companies' books associated with either distribution or transmission functions, as applicable.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-77:**

In relation to any costs associated with remediation for any contamination or other environmental damage, please provide a detailed list of expenses by FERC account and the nature of the remediation/contamination.

**Response:**

In relation to any costs associated with remediation for any contamination or other environmental damage, no costs have been incurred.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-78:**

Please provide any corporate written documents that describe AEP's strategy with specific respect to maintenance and replacement of transmission assets as these items relate to transmission investment goals.

**Response:**

Please see JI-1-78 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-79:**

Please indicate whether any OpCo or TransCo has made any investments in electric charging stations. If the answer is yes, please provide the FERC accounts used for investments in, and operation of, electric vehicle charging stations and clarify whether the stations only exist on OpCo or TransCo property. If not, identify the location(s) of the charging stations.

**Response:**

PSO and SWEP Co have made investments in electric charging stations. The investment in electric charging stations is recorded to general plant account 39800 - Miscellaneous Equipment and the maintenance of this equipment is recorded to accounts 1840029 (Transp - Assigned Vehicles) and 935 (Maintenance of general plant). The electric charging station investment is located on company property.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-80:**

Please identify all expenses that were recorded in Transmission O&M or A&G Expense accounts in 2022 that were recorded to other functional O&M or A&G expense accounts in 2021 and state the basis for the change in expense reporting.

**Response:**

The Company is not aware of any Transmission O&M or A&G expenses that were incurred in 2022 related to prior periods.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-81:**

For each OpCo and TransCo, please identify (by FERC Account and amount) all costs included in Transmission Plant accounts in the 2022 true-up that, as of December 31, 2021, were not recorded to Transmission Plant accounts and explain the reasons for the change in accounting for such costs.

**Response:**

There were no transfers in 2022 that were previously in another function.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-82:**

For each OpCo and TransCo, please identify any accounting changes related to ADIT, net operating losses (NOLs), or classification or valuation methodologies. For each accounting change, please provide a detailed discussion of change and the impact to the ADIT accounts and other accounts.

**Response:**

The Companies adopted Sec. 174 regulations for the tax year ending December 31, 2022 in accordance with Rev. Proc. 2023-08. The change was made on a cut-off method and therefore no Sec 481(a) adjustment is required. The change did not affect the OpCo and TransCo ADIT, NOL, or valuation methodologies.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-83:**

For each OpCo and TransCo, please provide a detailed description of the accounting policy to recognize NOLs on a stand-alone basis. In addition, please discuss the accounting policy and provide the accounting entries for the allocation of current tax losses of the parent company or another affiliate to the OpCos and TransCos during 2021 and 2022.

**Response:**

The Company does not have an accounting policy on recognizing NOLs on a stand-alone basis. In accordance with the tax sharing agreement, the tax effect of any loss generated by the parent company is allocated to the members of the group having taxable income through a reduction of their current tax expense (increasing net income). Members having taxable loss do not participate in the allocation of the tax reduction from the parent company loss.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-84:**

For each OpCo and TransCo, in reference to vendor credits/reimbursements received from third-party vendors, please:

- a.: Identify each vendor and credit amount by FERC account; and
- b.: Identify the FERC account(s) where the original expense related to each vendor was recorded originally on AEP West's books.

**Response:**

The Company does not maintain the data in the manner requested.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-85:**

Referring to each OpCo and TransCo's 2022 FERC Form. 1, Pages 112-113, lines 38, 40, 41, 42, 47, 48, 56, 59, and 60, columns (c) and (d), and each OpCo and TransCo's Worksheet R – Unfunded Reserves, please:

- a.: Provide a disaggregation of the amounts listed broken down by subaccount (or the most similar granular category available) and provide a narrative description of the nature and purpose of each subaccount;
- b.: Identify the FERC Account Number(s) to which the utility records offsetting debits for the items identified in subpart (a) above;
- c.: Quantify any credits to the expenses in subpart (b) above that the utility offsets with debits to below-the-line accounts and indicate whether the amount written off to the below-the-line account is reasonably representative of the OpCo or TransCo's below-the-line write-off for that expense in a given year;
- d.: To the extent that any of the below-the-line write-offs identified in subpart (c) above are not reasonably representative of the utility's below-the-line write-off for that expense for a given year, indicate the amount that is reasonably representative of given year's below-the-line write-off and provide supporting documentation or calculations;
- e.: To the extent that the utility did not include a subaccount identified in subpart (a) above on Worksheet R – Unfunded Reserves, thoroughly explain why the utility did not include the subaccount; and
- f.: For each subaccount identified in subpart (a) above, quantify any related ADIT, specify the allocation method that the utility used for those ADIT on Worksheets C-1 and C-2, and explain the utility's basis for the chosen allocation method.

**Response:**

- a. Please see JI-1-85 Attachment 1.
- b. The requested analysis has not been performed. Please see the FERC USofA instructions for guidance related to the accounts provided in subpart a.
- c. See response to subpart b.
- d. See response to subpart b.
- e. For the purpose of preparing AEP's formula rate, the Company is obligated to use the definition of unfunded reserves included in the FERC-approved template. The Commission-approved definition for the AEP West companies and Transcos is in the footnote on the WS-R, which states "The cost of service will make a rate base adjustment to remove unfunded reserves associated with contingent liabilities recorded to Accounts 228.1-228.4 from rate base. Include only contingent liabilities which were expensed through accounts included in formula rate cost of service."

This definition precludes liability balances in any FERC account other than 228.1-228.4 from consideration as unfunded reserves. The definition further limits unfunded reserves to

“contingent liabilities” within those 228.1-228.4 accounts. As a result, amounts in accounts 232, 234, 235, 236, 241, 242, 253, and 254 are not unfunded reserves.

Contingent liabilities are defined by FERC in General Instruction 15 to the Uniform System of Accounts, which states the following:

Contingent Assets and Liabilities (Major Utility).

Contingent assets represent a possible source of value to the utility contingent upon the fulfillment of conditions regarded as uncertain. Contingent liabilities include items which may under certain conditions become obligations of the utility, but which are neither direct nor assumed liabilities at the date of the balance sheet. The utility shall be prepared to give a complete statement of significant contingent assets and liabilities (including cumulative dividends on preference stock) in its annual report and at such other times as may be requested by the Commission.

Common accruals recorded as of any balance sheet date for items like accounts payable, salaries and wages, incentive plans, medical benefit plans, and vacation pay do not fall under this definition. They are known liabilities as of the date of the balance sheet. No future conditions need to occur to cause these obligations to become obligations of the utility. The company has a known obligation based on past events, which makes them direct, non-contingent liabilities.

f. Please see JI-1-85 Attachment 2.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-86:**

Per the OpCo's 2022 FERC Form 1, Pages 122-123, Notes to the Financial Statements, Section 14. FINANCING ACTIVITIES, Securitized Accounts Receivables – AEP Credit states the OpCo “sells, without recourse, certain of its customer accounts receivable and accrued utility balances to AEP Credit.” For each of the OpCos, please:

- a.: Quantify the specific costs associated with the sales of customer accounts receivable that are reported as Other Deductions by FERC Account charged; and
- b.: Indicate whether the OpCos incur labor or other costs to administer the sales of accounts receivable on behalf of AEP Credit.

**Response:**

- a. See attachment 1-86 Attachment 1.
- b. The OpCos do not incur incremental costs associated with factored sales of accounts receivable to AEP Credit.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-87:**

For each OpCo's 2022 FERC Form 1, Pages 122-123, Notes to the Financial Statements, Energy Marketing and Risk Management Activities, please quantify the revenues and expenses by FERC account and associated amount that are assigned or allocated to the utility by AEPSC regarding "power, capacity, coal, natural gas, interest rate, and ... heating oil, gasoline, and other commodity risk management activities" (see, e.g., OpCo's 2022 FERC Form 1, Pages 122-123 and 429).

**Response:**

AEPSC acts as agent for PSO and SWEPCO regarding the risk management activities noted in the question, but any revenues and expenses related to these activities would not be directly billed to PSO and SWEPCO by AEPSC. N/A for TransCos.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-88:**

Provide the accounting journal entries to record the costs, revenues, and reimbursements to administer sales of accounts receivable on behalf of AEP Credit.

**Response:**

Please see JI-1-88 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-89:**

Please provide a detailed breakdown and description of the items (Excel format) by project underlying the amount shown as additions to Account 303 – Miscellaneous Intangible Plant, as reported on the following OpCos and TransCos FERC Form 1, Page 204-207, Line 4, Column (c) separately for:

- a.: PSO in the amount of \$23,096,845;
- b.: OKT in the amount of \$3,118,104; and
- c.: SWEPCO in the amount of \$30,961,859.

**Response:**

Please see JI-1-89 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-90:**

In reference to each of the OpCo's 2022 FERC Form 1, Page 204-207, Line 46, Column (d), please provide a detailed tabulation by retired unit/plant and their associated retirement amounts related to each generation unit/plant.

**Response:**

There were no generating units/plants retired in 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-91:**

In reference to each of the OpCo's, please provide an explanation and a detailed tabulation of how the accumulated depreciation, as shown in the 2022 FERC Form 1, Page 219, Lines 20-24, Column (b) was adjusted for each generating unit/plant retired during 2022.

**Response:**

There were no generating units/plants retired in 2022.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-92:**

For each OpCo and TransCo, please provide a detailed discussion of the changes from 2022 beginning balance to end of year balance of net operating loss and tax credit carryforwards reported on the FERC Form 1, Page 234.

**Response:**

Please see JI-1-92 Attachment 1 for the details in the net operating loss and tax credit carryforwards activity. The changes in net operating loss carryforwards and tax credit carryforwards for both federal and state are driven by taxable income throughout the year. As taxable income changes, the company has the ability to utilize net operating losses and tax credits which change the deferred taxes related to these items.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-93:**

For each OpCo and TransCo listed below, refer to the 2022 FERC Form 1, Page 320-323, Line 97, Column b, Account 566 – Miscellaneous Transmission Expenses, please provide a detailed tabulation (Excel format) of every entry booked to this account during 2022, including name, description of cost item, detailed journal entry, vendor name and amount:

- a.: PSO in the amount of \$2,904,128;
- b.: OKT in the amount of \$1,472,809; and
- c.: SWEPCO in the amount of \$2,843,585.

**Response:**

Please see JI-1-93 attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-94:**

For each OpCo and TransCo listed below, refer to the 2022 FERC Form 1, Page 320-323, Line 184, Column b, Account 923 – Outside Services Employed, please provide a detailed tabulation (Excel format) of every entry booked to this account during 2022, including name, description of cost item, vendor name and amount:

- a.: PSO in the amount of \$7,126,937;
- b.: OKT in the amount of \$1,155,944; and
- c.: SWEPCO in the amount of \$10,615,639.

**Response:**

Please see JI-1-94 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-95:**

For each OpCo and TransCo, reference 2022 FERC Form 1, Page 429, for all Non-power Goods or Services Provided by Affiliate, for each intercompany billing between AEP affiliates and from AEPSC, please:

- a.: Provide a detailed breakout of costs (Excel format), including associates amounts and the cost center where each cost originated, that were allocated or directly charged to each OpCo and TransCo by FERC Account;
- b.: For any amounts allocated to an OpCo or TransCo, please provide the detailed AEPSC entries (Excel format) prior to the allocation to each OpCo and TransCo (for example, please include similar columns with the following types of data (FERC Account Num CMD, Account ID, Account Long Descr, Oper Unit ID, Resp Center ID, Resource Type ID, Process ID, Project ID, Product ID, Journal ID, Business Unit, JD Journal Descr, JD Journal Line Descr, JD Operator ID JD, Vendor Name, Voucher ID JD, Accounting Period CMD, Fiscal Year CMD, Amount, Percentage of Amount allocated to each OpCo/TransCo, OpCo/TransCo Amount) for any account included in the formula); and
- c.: Provide an electronic copy of the manual detailing the methodology used to support intercompany billing in respective of services rendered between AEP affiliates applicable during 2022.

**Response:**

- a. Please see JI-1-95 Attachment 1 AEPSC for detail of AEPSC billings and JI-1-95 Attachment 2 Intercompany for detail of Intercompany billings to each OpCo and Transco for the year 2022.
- b. Please see the attachments referenced in response to part a. Due to voluminous amount of detail requested, it was not possible to combine all fields requested on one spreadsheet tab, so the attachment is broken up into several tabs to present many of the fields requested.
- c. Please see pdf file JI-1-95 Attachment 3 (Master Cam Document-12-31-22).

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-96:**

In reference to each OpCo and TransCo's treatment of capitalized labor, please provide the following:

- a.: The FERC Account(s) and associated amounts where each OpCo and TransCo has capitalized labor in Transmission Plant Accounts 350 through 359.1, including a breakout of the type of expenses that were capitalized (i.e., labor, benefits (e.g., vacation, workmen's compensation etc.));
- b.: The method or guidance used to determine the capitalization rates;
- c.: The capitalization rates utilized by department/cost center category;
- d.: A copy of any time study utilized to determine the amount of labor to be capitalized by department/cost center category. To the extent that a time study was not utilized, please provide the analysis utilized to make such determinations;
- e.: An explanation of how often OpCo or TransCo changes its capitalization rates and the method/manner utilized to change the rates; and
- f.: An explanation of any capitalization policy changes within the past 5 years, and a copy of any such policy changes.

**Response:**

- a. Refer to attached files for information regarding capitalized labor additions by FERC account and amount in 2022.
- b.-e. The company is unclear what is meant by capitalization rates. When labor is capitalized, the company uses fully loaded labor costs.
- f. No changes to the capitalization policy during the time period.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-97:**

Please explain if AEP's consolidated tax allocation agreement allows the allocation of the parent company tax loss to an entity that does not use the loss in the current income tax return or an amended tax return. If it is permitted under the tax allocation agreement, please (i) provide the accounting on the OpCos' and TransCos' books for parent company current losses not used in the current tax return (or an amended tax return) and (ii) explain the associated rate base impact in the transmission formula rate.

**Response:**

AEP's consolidated tax allocation agreement does not allow the allocation of the parent company tax loss to an entity that does not use the loss in the current tax return or an amended tax return. Parent losses are only allocated to members with current year income.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-98:**

For the largest transmission projects that were placed in service in 2022, provide a detailed spreadsheet providing the computation of the actual Available Funds Used During Construction (“AFUDC”) accruals that were capitalized on a monthly basis. The calculation should illustrate the monthly computation of the construction base the AFUDC rate is applied to, including prior month construction balances, cash expenditures, and compounded AFUDC. The worksheets and/or files should retain all notes and any formulas supporting the calculations.

**Response:**

Please refer to JI-1-98\_Attachment 1, JI-1-98\_Attachment 2, JI-1-98\_Attachment 3, and JI-1-98\_Attachment 4 for the response. Note that AFUDC calculations are performed by the company's asset management system (Powerplan).

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-99:**

For calendar year 2022, please identify the actual AFUDC rate(s) that each AEP West OpCo and TransCo used to capitalize AFUDC accruals and the calendar months in 2022 that each AFUDC rate was used by each AEP West OpCo and TransCo.

**Response:**

Please refer to JI-1-99\_Attachment 1 for the response.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-100:**

If AEP West elected to implement the FERC-authorized Covid-19 AFUDC waiver for any period in calendar year 2022, please (i) identify the months in 2022 that each AEP West OpCo and TransCo implemented the waiver, and (ii) explain AEP West's method and procedures for implementing the Covid-19 waiver in the calculation of its 2022 AFUDC rates and how AEP West's method and procedures comply with the requirements of FERC's Covid-19 waiver orders.

**Response:**

(i) Each OpCo and TransCo implemented the FERC-authorized COVID-19 AFUDC waiver for the months of January, February, and March 2022 except for AEP Southwestern Transmission Company.

(ii) The temporary waiver authorized by FERC in docket number AC20-127-000 leaves all aspects of the AFUDC rate formula unchanged except for the short-term debt input into the calculations. Companies electing to implement the temporary waiver may use the simple average of 2019 short-term debt balances as the short-term debt input into the calculations - in lieu of current period average short-term debt balances.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-101:**

Please identify any modifications that each AEP West OpCo and TransCo made to its AFUDC procedures and methods used to compute the 2022 AFUDC borrowed funds and other funds rates, accrue AFUDC on Construction Work in Progress (“CWIP”) work orders, and the frequency of compounding AFUDC during calendar year 2022 that differ from the AFUDC procedures and methods AEP West used during calendar year 2021.

**Response:**

- (1) Beginning with the April 2022 AFUDC rate calculations, companies which implemented the temporary FERC-authorized COVID-19 waiver began to use current period average short-term debt balances within the AFUDC rate calculation, again after the waiver expired at the end of March 2022.
- (2) Per SWEPCo Docket No 21-070-U, the Arkansas ROE utilized in the AFUDC rate calculation changed from 9.45% to 9.50% effective July 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-102:**

Please describe each AEP West OpCo and TransCo method and procedures for computing AFUDC rates and AFUDC accruals on construction work orders during calendar year 2022, and please explain how AEP West determined:

- a.: The types of construction costs that are eligible or ineligible for inclusion in the AFUDC base used to compute monthly AFUDC accruals for construction work orders and whether the AFUDC base is reduced for contract retentions, unpaid accruals, contributions in aid of construction (CIAC), and advances for construction;
- b.: The method, procedures, and sources of data used for computing the AFUDC formula inputs for the balances of Long-Term Debt or “D”, Short-Term Debt or “S”, preferred stock “P”, common equity or “C”, and Construction Work in Progress or “W” and the cost rates for Short - Term Debt or “s”, Long-Term Debt or “d”, Preferred Stock or “p”, and Common Equity or “c” in AEP West’s monthly, quarterly, semi-annual or annual AFUDC rate computations (the alphabetic references are the same as those used in the Commission’s AFUDC regulations at 18 C.F.R. Part 101, Electric Plant Instruction No. 3(17));
- c.: The method used by AEP West to determine Short-Term Debt balances for Commercial Paper, each term loan, etc. and how those balances were computed;
- d.: The balances of any Short-Term Debt, Long-Term Debt, Preferred Stock, or Common Equity excluded from AEP West’s 2022 AFUDC inputs;
- e.: The costs of Short-Term Debt, Long-Term Debt, Preferred Stock, or Common Equity excluded from AEP West’s 2021 AFUDC inputs for cost rates;
- f.: The procedure for determining AEP West’s AFUDC rate(s) when the AFUDC formula input for the balance of Short-Term Debt or “S” input exceeds the AFUDC input for the balance of Construction Work in Progress or “W” input;
- g.: The frequency of (e.g., daily, monthly, semi-annual, annual) and method used for compounding AFUDC;
- h.: The minimum requirements that a construction project or work order must meet, for example, the minimum level of eligible construction costs or minimum construction period, to be eligible the accrual of AFUDC; and
- i.: The FERC accounts AEP West used to record 2022 AFUDC accruals.

**Response:**

- a. Please see attachment 'JI-1-102 Attachment 1'.
- b. The company follows FERC Order No. 561 issued February 2, 1977 and the company AFUDC Accounting Bulletin 1.
- c. AEP West companies participate in the Corporate Borrowing Program (CBP), which is the centralized funding mechanism for monitoring and updating short term cash requirements of AEP and its subsidiaries. Each day this process is balanced and updated by the Treasury Operations team for all participants in this program. In addition, interest is charged daily based

off the weighted average rate that is calculated on all outstanding Short-Term Debt (Commercial Paper).

d. Accounting does not exclude any Short-Term Debt, Long-Term Debt, Preferred Stock, or Common Equity balances from the AFUDC inputs.

e. See response for (d).

f. There will be no Equity rates when the Short-Term Debt balance exceeds the CWIP balance.

g. AEP uses a compounded rate for AFUDC based on semiannual compounding. The rate is developed and applied to construction on a monthly basis.

h. There are no minimum requirements.

i. AEP West used accounts 4191000 and 4320000.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-103:**

FPC Order No. 561 requires public utilities to derive an annual AFUDC rate based on actual inputs, except estimates are initially used for the balances of short-term debt and CWIP and the cost rate of short-term debt. The order requires those estimates to be updated during the calendar year to actuals and for public utilities to monitor actual experience and adjust to actual at year-end if a significant deviation from the estimate should occur. Please explain how each AEP West OpCo and TransCo complies with this AFUDC requirement and provide the calculation performed in 2022 to determine if a significant deviation exists between the AFUDC rate(s) used to capitalize AFUDC during calendar year 2022, and the calculation of the final, end-of-calendar year AFUDC rate with all inputs updated to reflect actual book balances.

**Response:**

The company does not use estimates. The prior month actuals are used based on FERC approval.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-104:**

Please provide the monthly, quarterly, semi-annual, or annual calculations and formulas supporting all of AEP West's AFUDC rates by OpCo and TransCo computed for the borrowed funds and other funds rates in workable Excel spreadsheets that were applied to construction costs for 2021 and 2022 and include this information in workable Excel spreadsheets showing the derivation and source of all inputs to each OpCo and TransCo's AFUDC formula rate calculations for the inputs to the AFUDC rate formula for (i) the balances of common equity (input "C"), preferred stock (input "P"), long term debt input "D"), daily weighted-average balance of short-term debt (input "S"), and the 13-month average of CWIP (input "W"), (ii) the cost rates for short-term debt (input "s"), long-term debt computed using a yield to maturity basis at issuance for each borrowing (input "d"), preferred stock (input "p"), and common equity (input "c"), and (iii) provide supporting documentation and calculations that provide transparency on the borrowed funds and other funds AFUDC rates derived. (Please provide the spreadsheets formatted to retain all notes and any formulas supporting the calculations.)

**Response:**

Please see attachments 'JI-1-104 Attachment 1', 'JI-1-104 Attachment 2', 'JI-1-104 Attachment 3', and 'JI-1-104 Attachment 4'. The Company does not gather and input this information on a monthly basis.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-105:**

Please list and provide (i) daily balances of all short-term debt borrowings outstanding during 2021, (ii) daily balances of short-term debt borrowings from affiliates through money pool borrowings, or other short-term debt borrowing instruments, (iii) the interest rate for each type and category of each short-term debt borrowing during 2022, and (iv) any short-term debt borrowing balances and interest costs that were excluded from each OpCo and TransCo's AFUDC computation of the short-term debt balance (input "S") and cost rate of short-term debt (input "s") for calendar year 2022. (Regarding subpart question (iv), means any exclusions from the short-term debt balances and interest costs that apply to any money pool, commercial paper, or other borrowings under the AEP revolving credit facility.)

**Response:**

Please see JI-1-105 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-106:**

Regarding each OpCo and TransCo's computation of 2022 AFUDC accruals, for the transmission projects that were placed in service in 2022, please provide a detailed workable Excel spreadsheet providing the computation of the AFUDC accruals that were actually capitalized on a monthly basis. The calculations should illustrate the monthly computation of the construction base that the AFUDC rate is applied to, including prior months' construction cost balances, current month's construction costs, cash expenditures, any exclusions of construction costs from the construction base, and the compounding of AFUDC. (The worksheets and/or files should retain all notes and any formulas supporting the calculations.)

**Response:**

Please refer to the response to JI-1-98.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-107:**

Please provide a workable Excel spreadsheet that provides the 13 month-end balances of each OpCo and TransCo's transmission CWIP balances and the 13-month average of the transmission CWIP for the period December 31, 2021 to December 31, 2022.

**Response:**

Please see JI-1-107 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-108:**

In reference to each OpCo and TransCo's 2022 AFUDC rate calculations, please:

- a.: Provide a detailed listing of the amount of all Long-Term Debt borrowings from affiliated companies at December 31, 2021;
- b.: Explain whether the balance of those borrowings and related interest costs were included in the AFUDC inputs for Long-Term Debt and the Long-Term Debt cost rate for purposes of computing each of AEP West's 2022 AFUDC rates; and
- c.: Indicate the amount of interest expense allocated to each OpCo and TransCo from any affiliated service company in 2022 on an affiliated service company's books. In addition, please indicate whether the interest expense allocated to each OpCo and TransCo for AFUDC purposes is offset by a contra-entry and provide full details of such accounting.

**Response:**

- a. Details of long-term debt from associated companies can be found on Pages 256-257 of each companies FERC Form No. 1.
- b. The balances and interest associated with long-term debt from associated companies is used in calculating the AFUDC rate.
- c. Please refer to JI-1-108 Attachment 1 for amount of interest expense related to debt allocated to each OpCo and TransCo in 2022. Service company interest expense related to debt is recorded to A&G accounts and is not included in the AFUDC rate calculation.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-109:**

Please explain whether each OpCo and TransCo had revolving credit agreements during 2022. If yes, please provide the following for each OpCo and TransCo:

a.: Please explain whether the borrowings under the revolving credit agreements have short-term (one year or less) or long-term maturities;

b.: Please provide a schedule of daily weighted-average outstanding balances for 2022 borrowings under the revolving credit agreement;

c.: Please provide the FERC accounts used in 2022 to record outstanding borrowings from the revolving credit facility(ies); and

d.: Please provide the FERC accounts used to record any upfront or commitment fees during 2022 associated with the revolving credit facility(ies) and explain whether the costs for the revolving credit facility(ies) are computed as a cost of Short-Term or Long-Term Debt in the AFUDC rate calculations and as a cost of Long-Term Debt in the calculation of the overall rate of return applied to rate base in the transmission revenue requirement calculation.

**Response:**

None of the OPCOs or Transcos had revolving credit agreements in place during 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-110:**

For each OpCo and TransCo, please identify all open credit facilities during 2021 that had an outstanding balance at any point in 2022. For each credit facility identified, provide the average daily balances during 2022 and indicate the maturity period for outstanding balances under the credit facility.

**Response:**

Public Service Company of Oklahoma has a \$125 million 3-year term loan facility due September 30, 2025. This facility is fully drawn for all of 2021 and 2022; the average daily balance outstanding is \$125 million. This maturity periods were one-month or 3-month maturity through the end of 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-111:**

For each OpCo and TransCo, please identify any borrowings outstanding during 2022 from revolving credit facilities that were classified in accounts other than Account 231, Notes Payable, and identify the 2022 interest expense and FERC account used to record the interest costs.

**Response:**

No OPCO or Transco had revolving credit facilities outstanding during 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-112:**

For each OpCo and Transco, please identify any subsidiary company accounted for under the consolidated method of accounting in the FERC Form 1.

**Response:**

No companies to be accounted for under the consolidation method of accounting contained in the FERC Form 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-113:**

For each OpCo, please provide a list of all capitalized software projects recorded in FERC Account 303. For each capitalized software project listed, provide:

- a.: A description of the capitalized software project;
- b.: The 500 and 900 series FERC account(s) used to record operating and maintenance expenses incurred on the software system in 2022; and
- c.: The primary function(s) served by the software: general and administrative, production, distribution, or transmission.

**Response:**

- a. Please see attachment JI-1-113 Attachment 1 for the response.
- b. Software system maintenance is primarily recorded to FERC 9350. However, additional operational and maintenance FERC Accounts such as 5000, 5060, 5120, 5140, 5570, 5600, 5660, 5692, 5800, 5880, and 9230 may also have charges.
- c. Account 303, or Capitalized Software, is typically allocated to each of the AEP legal entity's general ledger Business Units from AEP Service Corporation (AEPSC). Just like other AEPSC costs, the allocation of Capitalized Software is driven by the work order selected to capture the costs at AEPSC. The work order will determine the functional Business Units that incur the costs of this software.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-114:**

For each OpCo and TransCo, please clarify whether the utility records depreciation expense billed from affiliates to Account 403 and, if not, identify the FERC account(s) to which the utility records depreciation expense billed from affiliates and provide the utility's basis for doing so.

**Response:**

The Companies do not record depreciation expense that is billed from its affiliates to account 403 within its respective general ledger.

Depreciation expense billed from an affiliate is recorded as depreciation expense on the billing company's books and is recorded as affiliated rental expense on the OpCo and TransCo from non-AEPSC affiliates.

Please refer to JI 1-114 Attachment 1 for FERC accounts where AEP Service Corporation depreciation expense is billed to each OpCo and TransCo.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-115:**

For each OpCo and TransCo, please:

- a.: Quantify by FERC Account Number amounts recorded by the utility to recognize allowances for credit losses; and
- b.: Quantify by FERC Account Number the amounts recorded by the utility in contra accounts to offset the recognition of allowances for expected credit losses.

**Response:**

ASU 2016-13, related to current expected credit loss standard (CECL) accounting guidance was implemented effective January 1, 2020. Please see JI-1-115 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-116:**

For each OpCo and TransCo, please provide the FERC account(s) used to record excise taxes levied by state or local governments on customers in 2022 and the balance of excise taxes in those accounts reported in the 2022 FERC Form 1 when the OpCo or TransCo is acting as agent for the state or local government.

**Response:**

Please see JI-1-116 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-117:**

Please identify if each OpCo and TransCo had any one-time reclassifications from FERC Account 107 (with the amounts of each credit specified) to FERC O&M or A&G accounts (the offsetting debits with the FERC Account Number and amounts of each debit specified) related to construction costs for certain scopes of work that were not pursued for abandoned, cancelled, or postponed CWIP projects in 2022. If so, for each OpCo and TransCo please provide the following:

- a.: Describe the scopes of work that were not pursued;
- b.: State the reasoning behind why they were not pursued;
- c.: Explain why these amounts were not written off to Account 426.5;
- d.: Explain why the OpCo or TransCo did not seek FERC authorization to write off amounts from CWIP; and
- e.: Identify the FERC account and associated amounts recorded by project and where the write-offs were recorded.

**Response:**

a. & b. The Company objects to this question on the grounds that it is vague and unduly burdensome. All individual transactions are, by definition, discrete and therefore constitute one-time expenses as described in the question.

Without waiving this objection, the Company states as follows: See JI-1-117 Attachment 1 for charges by account representing write offs of activity from the 107 account. Because of the volume of information requested, the Company will provide the requested detail for a sample of projects to be selected by Joint Intervenors. The Company further notes each transaction may or may not be similar to other transactions recorded by the Company, and therefore cannot be appropriately distinguished as “one-time expenses” as described in the question.

c. Account 426.5 is not the appropriate account to which to expense these charges. As shown in the JI-1-117 Attachment 1, these amounts are expense to functional O&M accounts based on the description of the cancelled project.

d. Under long-standing Commission precedent, a utility has always been allowed to expense prudently-incurred cancelled project costs without prior approval. *New England Power Co.*, Opinion No. 49, 8 FERC ¶ 61,054, at 61,175-76 (1979), order on reh’g, Opinion No. 49-A, 10 FERC ¶ 61,279 (1980), *aff’d in rel. part*, *NEPCO Mun. Rate Committee v. FERC*, 668 F.2d 1327 (D.C. Cir. 1981), cert. denied, 457 U.S. 1117 (1982). Only when the utility seeks to recover a return on the amount of cancelled project costs through its inclusion in rate base, must prior Commission approval be obtained. 18 C.F.R. § Part 101, Account 182.2(A)(2). Indeed, the Commission recently “confirm[ed] that there is no requirement to seek Commission approval to...recover the preliminary project costs subsequently charged to the appropriate operating expense accounts.” *Kansas Electric Power Coop., Inc. v. Evergy Kansas Central, Inc.*, 176 FERC ¶ 61,083 at P 16.

e. See JI-1-117 Attachment 1 for the requested information.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-118:**

For each OpCo and TransCo, please quantify the amount of cancelled project costs written off from FERC Account 183 – Preliminary Surveys and Investigations during 2022 to operating expenses included in the formula rate template and thoroughly describe the nature of the project, the reason(s) the utility originally considered the project, and the reason(s) the utility ultimately declined to pursue the project.

**Response:**

Regarding account 183, the Company generally does not use this account for Operating Company transmission business units or Transmission Companies. The activity that is recorded in this account for Transmission is not related to Preliminary Survey and Investigation Activity. The balances shown in account 183 are associated with generation, and activity in the transmission BU's is minimal and cleared out in most months. Please see JI-1-118 Attachment 1 for the functional ledger balances of these accounts, which demonstrate the balances and activity associated with Generation Projects. This attachment also shows a summary of the balances for the AEP West Transmission Companies; for these Companies the balances are minimal as well. The source of most Transmission activity in these accounts is the AEP Service Corporation billing process that clears charges to the Operating and Transmission Companies. These amounts, which are immaterial, are a function of this process and do not represent actual PS&I charges incurred on behalf of these business units; to remove them from this account they are expensed each month to account 566000 or 1861060 for the West Operating Companies, and 9230003 for the West Transmission Companies.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-119:**

For each TransCo and OpCo, please provide the detailed PowerTax reports (e.g. detailed 257 report) and Provision reports (Excel format) that support the inputs in WS C-1 and C-2 and WS C-4 Excess FIT for normal ADIT and excess/deficient ADIT.

**Response:**

Please refer to the response to JI-1-46.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery**  
**FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors**  
**Set JI-1 of Data Requests**

**Data Request JI-1-120:**

For each OpCo and TransCo, please:

- a.: Provide the derivation of and any workpapers supporting the transmission-related revenue credits identified on “WS H Rev Credits” for all accounts (i.e. 450, 451, 454, 456 and 456.1), including a listing of each revenue (to the most granular level available (e.g., by subaccount number)) amount and a description of each total company revenue amount recorded in 2022;
- b.: Provide a detailed listing of all non-transmission related revenues on the “WS H Rev Credits” tab, Lines 1 through 7. and their associated amounts;
- c.: Explain for each line item the basis for AEP’s determination that the revenues were not transmission related in subpart (b) above; and
- d.: To the extent a revenue item is associated with rent from the use of a general asset (i.e. office building), please specify the FERC account in which the asset is recorded.

**Response:**

Please see JI-1-120 Attachments 1 through 4 that include the workpapers supporting the transmission-related revenue credits identified on 'WS H Rev Credits' for each OpCo and TransCo. These workpapers will provide a more granular level of the revenue credits broken out by Business Unit and sub accounts, including the determination of non-transmission related revenues. The SW TransCo attachment includes an adjustment that was found in the original filing. Please see response to JI-1-2 for more detail.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-121:**

For each OpCo and TransCo, please provide supporting documentation and calculations for the amount shown on WS N Sch 11 TU, Cash Revenue Collections for True-up Year, Net of Schedule 11 Revenue Credits.

**Response:**

Please see JI-1-121 Attachment 1 for SPP Revenue Collected 2022. Each companies' reference to attached worksheet is provided below.

**PSO**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$42

**SWEPCO**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$43

**OKT**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$92

**SWT**

N/A

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-122:**

For each OpCo and TransCo, please provide supporting documentation and calculations for the amount shown on WS O Sch 9 NITS TU, Cash Revenue Collections for True-up Year, Net of Schedule 9 Revenue Credits.

**Response:**

Please see JI-1-121 Attachment 1 for SPP Revenue Collected 2022. Each companies' reference to attached worksheet is provided below.

**PSO**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$11

**SWEPCO**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$12

**OKT**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$61

**SWT**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$62

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-123:**

For each OpCo and TransCo, please provide supporting documentation and calculations for the amount shown on WS P Sch 1 NITS TU, Cash Revenue Collections for True-up Year, Net of Schedule 1 Revenue Credits.

PSO

**Response:**

Please see JI-1-121 Attachment 1 for SPP Revenue Collected 2022. Each companies' reference to attached worksheet is provided below.

**PSO**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$17

**SWEPCO**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$18

**OKT**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$67

**SWT**

=+'[SPP Revenue Collected \_2022.xlsx]2022 - For Regulatory'!\$O\$68

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-124:**

In reference to PSO's 2022 FERC Form 1, Page 104, AEP states "Mr. Akins has entered into an Aircraft Time Sharing Agreement that allows him to use our corporate aircraft for personal use for a limited number of hours each year. The Aircraft Time Sharing Agreement requires Mr. Akins to reimburse the Company for the cost of his personal use of corporate aircraft in accordance with limits set forth in Federal Aviation Administration regulations. Mr. Akins reimbursed the Company all incremental costs incurred in connection with personal flights under the Aircraft Timesharing Agreement including fuel, oil, hangar costs, crew travel expenses, catering, landing fees and other incremental airport fees. Accordingly, no value is shown for these amounts in the Summary Compensation Table. If the aircraft flies empty before picking up or after dropping off Mr. Akins at a destination on a personal flight, the cost of the empty flight is included in the incremental cost for which Mr. Akins reimburses the Company. Since AEP aircraft are used predominantly for business purposes, we do not include fixed costs that do not change in amount based on usage, such as depreciation and pilot salaries." Please provide the following:

- a.: Identify the company's books where the Aircraft Time Sharing Agreement entries are recorded;
- b.: Identify the FERC account(s) and associated amounts where the O&M costs are recorded by OpCo, TransCo or other AEP affiliates; and
- c.: Identify where these reimbursements are recorded by FERC account(s), associated amounts by OpCo, TransCo or AEP affiliates.

**Response:**

- a. AEPSC records the activity related to the corporate aircraft.
- b. Please refer to JI-1-124 Attachment 1 for FERC account and amounts for corporate aircraft costs that are billed to each Company.
- c. Please refer to JI-1-124 Attachment 2 for FERC account and amounts for Aircraft Time Sharing Agreement reimbursements recorded for each Company.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-125:**

In reference to PSO's 2022 FERC Form 1, Page 122-123 states that "[w]hen it becomes probable that an asset in-service or an asset under construction will be abandoned and regulator cost recovery has been disallowed or is not probable, the cost of the asset shall be removed from plant-in-service or CWIP and charged to expense." Please quantify all such amounts expensed by FERC Account for 2022.

**Response:**

There is no such activity for PSO in 2022.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-126:**

In reference to PSO's 2022 FERC Form 1, Page 122-123, "Joint License Agreement," please:

- a.: Provide the joint license agreement revenues recorded by PSO in 2022 quantified by FERC Account; and
- b.: Provide the joint license agreement costs billed to PSO in 2022 quantified by FERC Account.

**Response:**

Please see JI-1-126 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-127:**

In reference to PSO's 2021 FERC Form 1, Page 122-123, it stated, "APCo operates a facility which repairs and rebuilds specialized components for the generation plants across the AEP System. PSO recorded billings from APCo of \$739 thousand and \$900 thousand as capital or maintenance expenses depending on the nature of the services received for the years ended December 31, 2021 and 2020, respectively. These billings are recoverable from customers." This note is no longer in the 2022 FERC Form 1, but to the extent that any associated expenses were recorded on PSO's books in 2022, please provide (i) the FERC accounts and associated amounts where any expenses associated with the generation repairs facility services are recorded and (ii) identify the FERC accounts and associated amounts where any of the assets associated with these operations are recorded on PSO's books.

**Response:**

Please see JI-1-127 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-128:**

In reference to PSO's FERC Form 1, Page 122-123, – Notes to the Financial Statements, Sales and Purchases of Property, it states, "PSO had affiliated sales and purchases of electric property amounting to \$100 thousand or more, sales and purchases of meters and transformers, and sales and purchases of transmission property. There were no gains or losses recorded on the transactions." PSO had sales of \$2.5 million and \$0.5 million in 2022 and 2021, respectively. PSO had purchases of \$7.6 million and \$0.3 million in 2022 and 2021, respectively. Please provide the following:

- a.: Identify each affiliate sale and purchase separately for 2021 and 2022; and
- b.: The full accounting journal entries to record the sale and purchases of the aforementioned property(ies) identified in subpart a. above on each of the affiliate's and PSO's books, including all accounting entries for associated amounts of deferred income taxes for 2021 and 2022.

**Response:**

Please refer to JI-1-128\_Attachment 1 for the response.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-129:**

In reference to PSO's 2022 FERC Form 1, Page 200, Line 12 – Acquisition Adjustment in the amount of \$3,490,722, please provide the following:

- a.: Identify the acquisition transactions that comprise the total acquisition adjustment amount by describing each purchase transaction, the date each transaction closed, the assets acquired, the purchase price, original cost of the assets acquired by primary plant account, accumulated depreciation applicable to the original cost of the asset acquired, and transaction costs;
- b.: FERC orders approving each acquisition transaction and authorizing the rate recovery of amounts related to the acquisition adjustment;
- c.: FERC orders approving PSO's accounting for each transaction; and
- d.: Identify all inputs to PSO's 2022 ATRR that include amounts related to the acquisition adjustment for such items as, amortization expense, net book value in rate base, computation of plant related allocators, deferred income tax balances and explain the reasons the identified items were included in the 2022 ATRR calculation.

**Response:**

Neither acquisition adjustments nor their amortizations are included in the formula rate cost of service calculation.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-130:**

In reference to PSO's 2022 FERC Form 1, Page 204-207, Column c., please provide (i) the nature of the 2022 Additions and (ii) a detailed listing (Excel format), including detailed journal entry descriptions, of the 2022 Additions for each of the following accounts:

- a.: Line 48, Account 350 – Land and Land Rights in the amount of \$1,303,134;
- b.: Line 49, Account 352 – Structures and Improvements in the amount of \$4,123,758;
- c.: Line 50, Account 353 – Station Equipment in the amount of \$25,787,253;
- d.: Line 52, Account 355 – Poles and Fixtures in the amount of \$34,886,072;
- e.: Line 53, Account 356 – Overhead Conductors and Devices in the amount of \$9,503,188;
- f.: Line 87, Account 390 – Structures and Improvements in the amount of \$2,509,184;
- g.: Line 91, Account 394 – Tools, Shop and Garage Equipment in the amount of \$4,545,240;
- h.: Line 94, Account 397 – Communication Equipment in the amount of \$1,472,845; and
- i.: Line 95, Account 398 – Miscellaneous Equipment in the amount of \$5,944,538.

**Response:**

Please refer to JI-1-130\_Attachment 1 for the response.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-131:**

The amount of each amortization included in the ATRR. In reference to PSO's 2022 FERC Form 1, Page 227, Footnote (a) to Line 11 – Assigned to – Other states “Assigned to - Other: Includes Customer Accounts and Administrative and General Expenses (applies to both beginning and ending balances).” Please provide a detailed description of “Customer Accounts” and the associated amounts included in the beginning and ending balances.

**Response:**

Please see JI-1-131 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-132:**

In reference to PSO's 2022 FERC Form 1, Page 232, Line 10 – Deferred Major/Minor Storm Restoration, please clarify whether PSO includes amortizations of these regulatory assets in its wholesale formula rate and, if so, please provide:

- a.: The FERC order authorizing the recovery of the regulatory assets;
- b.: The amounts recorded to Account 571 and 593; and
- c.: The amounts included in the 2022 ATRR.

**Response:**

- a. FERC Docket No. 18-195 authorized the recovery of the regulatory assets.
- b. \$94,196 was recorded to Account 571 and (\$2,605,583) was recorded to Account 593.
- c. \$94,196 was included in the 2022 ATRR.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-133:**

In reference to PSO's 2022 FERC Form 1, Page 232, Line 12, "Rate Case Expenses approved for recovery in OCC Final Order No. 672864, Cause No. PUD 201700151, to be amortized over two years, beginning March 2018," PSO has written off amounts to 928, please state if any of the expenses related to this docket were included in the 100% transmission column on Worksheet J. If yes, please identify the line and associated amounts that were included.

**Response:**

\$235,530 of the authorized deferral was amortized to Account 9280003. No portion of this amount was included in the 100% transmission column on Worksheet J (see PSO WS J Misc Exp, Line 15).

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-134:**

In reference to PSO's 2022 FERC Form 1, Page 320-323, Line 108, Column b, Account 571 - Maintenance of Overhead Lines in the amount of \$5,112,693, please provide a detailed tabulation (Excel format) of every entry booked to this account during 2022, including name, description of cost item, detailed journal entry and amount.

**Response:**

Please see JI-1-134 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-135:**

In reference to PSO's FERC Form 1, Page 429, please provide the following:

- a.: Line 9 – Economic & Business Development AEPSC – A detailed breakout, including detailed journal entries of the amounts included in Accounts 920 and 923 that total \$471,572;
- b.: Line 15 – Legal GC/Administration AEPSC – A detailed breakout, including detailed journal entries of the amounts included in 920 and 923 that total \$2,992,834;
- c.: Line 26 – Construction Services AEPSC – A detailed breakout, including work order descriptions, project names, and project descriptions in Accounts 107 and 108 that total \$53,122,683;
- d.: Line 28 – Transmission Expenses – Operation AEPSC – A detailed breakout, including detailed journal entries of the amounts included in Accounts 560, 561, 562, 563, 566, 920 and 923 that total \$6,610,631;
- e.: Line 32 – Corporate Communications AEPSC – A detailed breakout, including detailed journal entries of the amounts included in Accounts 920 and 923 that total \$672,022;
- f.: Line 37 - Regulatory Services AEPSC – A detailed breakout, including detailed journal entries, of the amounts included in Accounts 920 and 923 that total \$1,130,345.
- g.: Line 42 – Services for Jointly Owned Facility – North Central Wind SWEPCO, which totals \$41,232,388 – A detailed breakout, including detailed journal entries of the amounts included in Accounts 107, 108, 408, 560, 565, 569, 570, 571, 573 920, 921, 923, 924, 925, 926, 928, 930, 931, and 935; and
- h.: Line 46 – Customer Support AEPSC– A detailed breakout of the amounts included in Accounts 920 and 923 that total \$348,500.

**Response:**

Please refer to JI 1-135 Attachment 1 for requested information. Please note on subpart b. that the amount noted in question, \$2,992,834, is different than the amount in the Form 1 of \$2,002,834. Information provided in the attachment agrees to the FERC Form 1 amount.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-136:**

In reference to “PSO WS A-1 – Plant” tab, Lines 15 and 27, Column (e) “OATT Ancillary Services (GSU)”, please provide a workable Excel file showing a detailed listing of the GSU facilities, including amounts, that comprise (i) Line 15, December Prior to Rate Year balance; (ii) Additions; (iii) Retirements; (iv) transfers; and (v) the ending balance shown on Line 27 - December of Rate Year.

**Response:**

Please refer to JI-1-136\_Attachment 1 for the response.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-137:**

In reference to “PSO WS A-1 – Plant” tab, Lines 15 and 27, Column (f) “Excluded Plant,” please provide a workable Excel file showing a detailed listing of the excluded facilities, including amounts, that comprise (i) Line 15, December Prior to Rate Year balance; (ii) Additions; (iii) Retirements; (iv) transfers; and (v) the ending balance shown on Line 27 - December of Rate Year.

**Response:**

Please see JI-1-137 Attachment 1 for the requested information.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-138:**

In reference to PSO WS C-1 ADIT EOY, Excel Row 136 - 605P STOCK BASED COMP-CAREER SHARES, please provide the following:

- a.: A detailed description of this item;
- b.: Identify the FERC account(s) where the underlying expense that gave rise to this ADIT item is recorded;
- c.: State whether this item is associated with Excel Row 168 - 980J PSI - STOCK BASED COMP; and
- d.: The justification for not including this balance in the “labor” column.

**Response:**

- a. This ADFIT relates to the tax deductions taken at the end of the vesting period of performance shares. The deduction is equal to the amount of the share price at the time of vesting.
- b. The cost of this employee compensation is recognized over the vesting period of the plan. As particular awards vest, the cost of their award is charged to the expense accounts or capital projects to which the employee's labor is being charged.
- c. The difference between 605P Stock Based Comp – Career Shares and 980J PSI – Stock Based Comp is the Career shares (605P) are deferred. Once the PSI – Stock Based Comp (980J) is vested a portion of those shares become Career Shares to be distributed at a later date.
- d. This timing difference is associated with compensation and is labor-related.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-139:**

In reference to PSO WS D Working Capital, Line 4 – 1650001 – Prepaid Insurance, please provide the following:

- a.: A detailed tabulation of each type of insurance and associated amount included in the plant related column in the total amount of \$734,764;
- b.: A detailed tabulation of each type of insurance and associated amount included in the labor related column in the total amount of \$214,836; and
- c.: State whether PSO includes Company Owned Life Insurance (“COLI”) in any amounts in (a) or (b) above. If not, please indicate the FERC account and associated amount where PSO has recorded COLI.

**Response:**

- a. & b. Please see JI-01-139 Attachment 1.
- c. COLI is not included in the above amounts.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-140:**

In reference to PSO WS D Working Capital, Line 15 – 1650021 – Prepaid Insurance – EIS, please:

- a.: Explain what is “Prepaid Insurance – EIS;”
- b.: Explain the risks against which “Prepaid Insurance – EIS” is intended to insure; and
- c.: Explain the delineation between the plant-related and labor-related amounts and provide supporting calculations. To the extent that multiple insurance items are included, please provide a breakout separately.

**Response:**

- a. The EIS (Energy Insurance Service) is a program designed to meet the insurance needs of AEP and their subsidiaries.
- b. The risks being insured include Property Loss, Cyber Attacks, and other losses related to AEP.
- c. Please see JI-1-140 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-141:**

In reference to PSO WS D Working Capital, Line 22 – 1650035 – PRW Without MED-D Benefits, please describe the nature and purpose of the prepayment and provide supporting documentation and calculations. Also, please provide a schedule of (i) AEP's contributions to the AEP medical plan and (ii) AEP's actuarially-determined expense by year. For each year, in which AEP made a contribution to the plan that put the cumulative total of contributions in excess of the cumulative total of actuarially-determined expense, please fully explain AEP's decision to make such contributions and provide supporting workpapers, analyses, calculations or other documentation.

**Response:**

This account represents the cumulative balance of cash contributions to the AEP medical plan net of actuarially determined expense. These contributions are used to pay current benefits and earn a return towards paying future benefits, which reduces both current expense to the company and future contributions.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-142:**

In reference to PSO WS J Misc Exp, for each of the following items, please provide the following: (i) a detailed description of this item, (ii) explain what the portions included under the transmission column represent; (iii) supporting documentation for the amounts in the transmission column and (iv) the FERC/state docket numbers associated with each.

a.: Line 2 – 9280000 – Reg Commission Expense – Regulatory Expenses - \$21,661;

b.: Line 5 – 9280001 -Reg Commission Expense Admin - FERC Assessment Fees in the amount of \$2 – Please explain who amounts related to FERC Assessment Fees are being included when on the tab “PSO TCOS” Note L states “FERC Assessment Fees and Annual Charges shall not be allocated to transmission.”;

c.: Line 9 - 9280002 – Labor accruals – for various depts – \$310;

d.: Line 10 – 9280002 in the amount of \$,3,369 – Please provide a description of this expense as Column B is blank and provide a detailed description of how this is transmission when the note states “Misc.”;

e.: Line 13 – 9280002 – Reg Commission Exp – Misc. Filings– \$63,416;

f.: Line 14 – 9280002 – Reg Commission Exp – PSO Integrated Resource Plans – \$4,778;

g.: Line 17 – 9280005 – Reg Commission Exp – Trans Cases - \$17,045;

h.: Line 18 – 9280005 – Reg Commission Exp – Trans Cases - \$20; and

i.: Line 19 – 9280005 – Reg Commission Exp – Trans Cases - \$248.

**Response:**

Please see JI-1-142 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-143:**

In reference to entitled tab “PSO WS J Misc Exp,” please provide a detailed tabulation of every item included in Line 35 – Account 9302007 - Assoc Business Development Exp - Transmission, in the amount of \$1,736,729, including detailed journal entries, vendor names, project descriptions and associated amount etc.

OKT

**Response:**

Please see JI-1-143 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-144:**

In reference to OKT's 2022 FERC Form 1, Page 122-123, it states, "OKTCo purchased \$1.8 million and \$407 thousand of transmission property from PSO during the years ended December 31, 2022 and 2021, respectively. There were no gains or losses recorded on these transactions." Please provide the full accounting journal entries to record the transfer of the abovementioned transmission asset(s), to the extent multiple assets were transferred provide the entries for each transaction, on OKT and PSO's books, including all accounting entries for associated amounts of deferred income taxes for 2021 and 2022.

**Response:**

Please refer to JI-1-144\_Attachment 1 for the response.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-145:**

In reference to OKT's 2022 FERC Form 1, Page 204-207, please provide (i) the nature of the 2022 Additions and (ii) a detailed listing (Excel format), including detailed journal entry descriptions, of the 2022 Additions for each of the following accounts:

- a.: Line 48, Column c, Account 350 – Land and Land Rights in the amount of \$604,605.
- b.: Line 49, Column c, Account 352 – Structures and Improvements in the amount of \$11,073,883;
- c.: Line 50, Column c, Account 353 – Station Equipment in the amount of \$33,000,337;
- d.: Line 52, Column c, Account 355 – Poles and Fixtures in the amount of \$53,742,756;
- e.: Line 53, Column c, Account 356 – Overhead Conductors and Devices in the amount of \$35,152,383;
- f.: Line 54, Column c, Account 357 – Underground Conduit in the amount of \$5,990,357;
- g.: Line 55, Column c, Account 358 – Underground Conductors and Devices in the amount of \$394,552;
- h.: Line 87, Column c, Account 390 – Structures and Improvements in the amount of \$172,118;
- i.: Line 90, Column c, Account 393 – Stores Equipment in the amount of \$92,660; and
- j.: Line 94, Account 397 – Communication Equipment in the amount of \$162,097.

**Response:**

Please see JI-1-145\_Attachment 1.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-146:**

In reference to OKT's 2022 FERC Form 1, Page 335, Line 6 – Corporate Memberships in the amount of \$102,635, please provide the following:

- a.: A detailed tabulation, including detailed journal entry, of every item included in each total and the associated amount; and
- b.: Thoroughly describe the nature and purpose of each of the items included in this total.

**Response:**

The FERC Form 1, Page 335, Line 6 amount related to Corporate Memberships should be \$47,033 instead of \$102,635. This has no effect on the revenue requirement. See attachment JI-1-146.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-147:**

In reference to OKT's "WS D Working Capital" tab, Line 6 – Prepaid Lease in the amount of \$191,915, please provide the following:

- a.: Identify what these prepaid leases are related to, including any specific function.
- b.: Supporting documentation to demonstrate that OKT has prepaid, in full, the leases referenced, including copies of each of the lease documents and attachments.

**Response:**

Please see attached documents JI-1-147 Attachments 1 and 2 for details on 2022 prepaid leases and OKT reconciliation, respectively.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-148:**

In reference to OKT's "WS D Working Capital" tab, Line 4 – 1650001 – Prepaid Insurance, please provide the following:

- a.: A detailed tabulation of each type of insurance and associated amount included in the plant related column; and
- b.: State whether OKT includes COLI in any amounts in (a) above. If not, please indicate the FERC account and associated amount where OKT has recorded COLI.

**Response:**

Please see JI-1-148 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-149:**

In reference to OKT WS D Working Capital, Line 6 – 1650021 – Prepaid Insurance – EIS, please provide the following:

- a.: A detailed tabulation of each type of insurance and associated amount included in the plant related column; and
- b.: State whether OKT includes COLI in any amounts in (a) above. If not, please indicate the FERC account and associated amount where OKT has recorded COLI.

**Response:**

Please see JI-1-149 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-150:**

In reference to OKT WS J Misc Exp, for each of the following items, please provide the following: (i) a detailed description of this item, (ii) explain what the portions included under the transmission column represent, (iii) supporting documentation for the amounts in the transmission column and (iv) the FERC/state docket numbers associated with each.

a.: Line 1 – 9280000 - Reg Commission Exp - \$11;

b.: Line 2 – 928001 - Regulatory Commission Exp-Adm - \$2;

c.: Line 3 - 9280002 – Reg Commission Expense – Case - \$519;

d.: Line 4 – 9280005 – Reg Com Exp-FERC Trans Cases– \$24,170; and

e.: For subparts a. through d. above, please state whether any portion associated with these amounts are related to FERC Assessment Fees or Annual Charges. If yes, please identify the amounts.

**Response:**

Please see JI-1-150 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-151:**

In reference to entitled tab “OKT WS J Misc Exp”, Line 23, Account 9302000 - Misc General Expense, please provide a detailed tabulation, including detailed journal entries, project descriptions, vendor names, associated amounts etc. of the items included in the 100% Transmission Specific column, which totals \$94,970.  
SWEPCO

**Response:**

Please see JI-1-151 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-152:**

In reference to SWEPCo's FERC Form 1, Pages 122-123 – Notes to the Financial Statements, Sales and Purchases of Property, it states that "SWEPCo had affiliated sales and purchases of electric property amounting to \$100 thousand or more, sales and purchases of meters and transformers, and sales and purchases of transmission property. There were no gains or losses recorded on the transactions." SWEPCo had sales of \$1 million and \$0.4 million in 2022 and 2021, respectively. SWEPCo had purchases of \$2.8 million and \$0.3 million in 2022 and 2021, respectively. Please provide the following:

- a.: Identify each affiliate sale and purchase separately for 2021 and 2022; and
- b.: The full accounting journal entries to record the sale and purchases of the aforementioned property(ies) identified in subpart a. above on each of the affiliate's and SWEPCo's books, including all accounting entries for associated amounts of deferred income taxes for 2021 and 2022.

**Response:**

Please refer to JI-1-152\_Attachment 1 for the response.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-153:**

In reference to SWEPCo's 2022 FERC Form 1, Page 200, Line 12 – Acquisition Adjustment in the amount of \$18,043,976, please provide the following:

- a.: Identify the acquisition transactions that comprise the total acquisition adjustment amount by describing each purchase transaction, the date each transaction closed, the assets acquired, the purchase price, original cost of the assets acquired by primary plant account, accumulated depreciation applicable to the original cost of the asset acquired, and transaction costs;
- b.: FERC orders approving each acquisition transaction and authorizing the rate recovery of amounts related to the acquisition adjustment;
- c.: FERC orders approving SWEPCo's accounting for each transaction; and
- d.: Identify all inputs to SWEPCo's 2023 Update that include amounts related to the acquisition adjustment for such items as, amortization expense, net book value in rate base, computation of plant related allocators, deferred income tax balances and explain the reasons the identified items were included in the 2023 Update calculation.

**Response:**

Neither acquisition adjustments nor their amortizations are included in the formula rate cost of service calculation.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-154:**

In reference to SWEPCO's 2022 FERC Form 1, Page 204-207, please provide (i) the nature of the 2022 Additions and (ii) a detailed listing (Excel format), including detailed journal entry descriptions, of the 2022 Additions for each of the following accounts:

- a.: Line 48, Column c, Account 350 – Land and Land Rights in the amount of \$4,647,725;
- b.: Line 49, Column c, Account 352 – Structures and Improvements in the amount of \$12,557,876;
- c.: Line 50, Column c, Account 353 – Station Equipment in the amount of \$46,216,779;
- d.: Line 52, Column c, Account 355 – Poles and Fixtures in the amount of \$79,668,705;
- e.: Line 53, Column c, Account 356 – Overhead Conductors and Devices in the amount of \$38,522,389;
- f.: Line 54, Column c, Account 357 – Underground Conduit in the amount of \$2,504,568;
- g.: Line 86, Column c, Account 389 – Land and Land Rights in the amount of \$1,040,208;
- h.: Line 87, Column c, Account 390 – Structures and Improvements in the amount of \$2,424,664;
- i.: Line 91, Column c, Account 394 – Tools, Shop and Garage Equipment in the amount of \$2,086,373; and
- j.: Line 94, Column c, Account 397 – Communication Equipment in the amount of \$24,171,367.

**Response:**

Please see JI-1-154\_Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-155:**

In reference to SWEPCO's 2022 FERC Form 1, Page 320-323, Line 108, Column b, Account 571 – Maintenance of Overhead Lines in the amount of \$15,771,832, please provide a detailed tabulation (Excel format) of every entry booked to this account during 2022, including name, description of cost item, detailed journal entry, project name, vendor and amount.

**Response:**

Please see JI-1-155\_Attachment\_1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-156:**

In reference to SWEPCO's 2022 FERC Form 1, Page 320-323, Line 181, Column b, Account 920 – Administrative and General Salaries, please provide a detailed tabulation (Excel format) of every entry booked to this account during 2022, including name, description of cost item and amount that totals \$35,195,053.

**Response:**

Please see JI-1-156\_Attachment\_1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-157:**

In reference to SWEPCO's 2022 FERC Form 1, Page 320-323, Line 182, Column b, Account 921 – Office Supplies and Expenses, please provide a detailed tabulation (Excel format) of every entry booked to this account during 2022, including name, description of cost item, vendor name, project description, work order description, cost center or other related accounting data fields that provide the details to each expense and amount. In addition, please explain and provide supporting documentation for the drivers underlying the increase from \$1,501,298 to \$2,352,276 as shown in SWEPCO's 2022 FERC Form 1, Page 320-323, Line 182, Columns (c) and (b), respectively.

**Response:**

Please see JI-1-157\_Attachment\_1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-158:**

In reference to SWEPCO's 2022 FERC Form 1, Page 320-323, Line 184, Column b, Account 923 - Outside Services Employed, please provide a detailed tabulation (Excel format) of every entry booked to this account during 2022, including name, description of cost item, vendor name, project description, work order description, cost center or other related accounting data fields that provide the details to each expense and amount. In addition, please explain and provide supporting documentation for the drivers underlying the increase from \$7,184,359 to \$10,615,639 as shown in SWEPCO's 2022 FERC Form 1, Page 320-323, Line 184, Columns (c) and (b), respectively.

**Response:**

Please see JI-1-158\_Attachment\_1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-159:**

In reference to SWEPCO's 2022 FERC Form 1, Page 227, Footnote (b) to Line 11 – Assigned to – Other states “Assigned to - Other: Includes Customer Accounts and Administrative and General Expenses (applies to both beginning and ending balances).” Please provide a detailed description of “Customer Accounts” and the associated amounts included in the beginning and ending balances.

**Response:**

Please see JI-1-159 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-160:**

In reference to “SWEPCO WS A-1 – Plant” tab, Lines 15 and 27, Column (e) “OATT Ancillary Services (GSU)”, please provide a workable Excel file showing a detailed listing of the GSU facilities, including amounts, that comprise (i) Line 15, December Prior to Rate Year balance; (ii) Additions; (iii) Retirements; (iv) transfers; and (v) the ending balance shown on Line 27 - December of Rate Year.

**Response:**

Please see JI-1-160 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-161:**

In reference to “SWEPCO WS A-1 – Plant” tab, Lines 15 and 27, Column (f) “Excluded Plant,” please provide a workable Excel file showing a detailed listing of the excluded facilities, including amounts, that comprise (i) Line 15, December Prior to Rate Year balance; (ii) Additions; (iii) Retirements; (iv) transfers; and (v) the ending balance shown on Line 27 - December of Rate Year.

**Response:**

Please see JI-1-161\_Attachment\_1.

**Date:** 9/20/2023



**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-162:**

In reference to SWEPCO WS D Working Capital, Acct No. 1650001, Line 4 - Prepaid Insurance, please provide the following:

- a.: A detailed tabulation of each type of insurance and associated amount of \$1,076,620 included in the plant related column;
- b.: A detailed tabulation of each type of insurance and associated amount of \$324,638 included in the labor related column; and
- c.: State whether SWEPCO includes COLI in any amounts in (a) or (b) above. If not, please indicate the FERC account and associated amount where SWEPCO has recorded COLI.

**Response:**

- a. & b. Please see JI-1-162 Attachment 1.
- c. COLI is not included in the above amounts.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-163:**

In reference to SWEPCO's WS J Misc Exp, for each of the following items, please provide the following: (i) a detailed description of this item, (ii) explain what the portions included under the transmission column represent; (iii) supporting documentation for the amounts in the transmission column and (iv) the FERC/state docket numbers associated with each expense.

- a.: Line 8 – 9280002 - Reg Commission Exp - Case - \$17,943;
- b.: Line 9 – 9280002 - Reg Commission Exp - Case - \$18,829;
- c.: Line 14 – 9280002 - Reg Commission Exp - Case - \$216,503;
- d.: Line 15 – 9280002 - Reg Commission Exp - Case - \$103,435;
- e.: Line 16 – 9280002 - Reg Commission Exp - Case - \$6,502;
- f.: Line 22 – 9280002 - Reg Commission Exp - Case - \$69,388;
- g.: Line 25 – 9280002 - Reg Commission Exp - Case - \$12,674;
- h.: Line 29 – 9280002 - Reg Commission Exp - Case - \$43,071;
- i.: Line 32 – 9280002 - Reg Commission Exp - Case - \$586;
- j.: Line 38 – 928005 - Reg Commission Exp - Trans Cases - \$35,138; and
- k.: For subparts a. through j. above, please state whether any portion associated with these amounts are related to FERC Assessment Fees or Annual Charges. If yes, please identify the amounts.

**Response:**

Please see JI-1-163 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-164:**

In reference to entitled tab “SWEPCO WS J Misc Exp”, Line 56 - Assoc Business Development Exp – Transmission, in the amount of \$103,433, please provide a detailed tabulation of every item included in the following amounts, including detailed journal entries, vendor names, project descriptions and associated amounts.

**Response:**

Please see JI-1-164 Attachment 1.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-165:**

In reference to SWEPCo's 2022 FERC Form 1, Page 232, Line 11, "Rate Case Expenses Approved for Recovery 21 in PUCT Final Orders: PUCT Docket 46449 - 3 Years beg Feb 2018 and PUCT Docket 47141 - 3 Years beg Sept 2020," SWEPCO has written off amounts to 928 and 935, please state if any of the expenses related to this docket were included in the 100% transmission column on Worksheet J. If yes, please identify the line and associated amounts that were included.

**Response:**

The amounts amortized to account 928 from SWEPCo's FERC Form 1 Page 232, Line 11 were not included in the 100% transmission column on Worksheet J.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-166:**

In reference to SWEPCo's FERC Form 1, Page 232 – Line 27 – COVID-19 Deferred Expense, please provide the following:

- a.: A detailed breakout of the amounts amortized by FERC accounts “182/426/506/512/588/593/903/920/921/923/930” as referenced in the note in column (d).
- b.: The FERC docket where SWEPCo received authorization from FERC to recover this regulatory asset.

SWT

**Response:**

SWEPCO removes deferrals and amortizations.

**Date:** 9/20/2023

**ER18-194-000 & ER18-195-000 West FE 2022 ATRR Discovery  
FERC Docket No ER18-194 & 195 West FR 2022 ATRR Discovery**

**Responses to Multiple Intervenors  
Set JI-1 of Data Requests**

**Data Request JI-1-167:**

In reference to entitled tab “SWT WS J Misc Exp”, Line 44, Account 9302000 - Misc General Expense, please provide a detailed tabulation, including detailed journal entries, vendor names, project descriptions etc. for the items included in the 100% Transmission Specific column that total \$6,007.

**Response:**

Please refer to JI-1-167\_Attachment\_1.

**Date:** 9/20/2023