



American Electric Power
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May 26, 2020

Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First St., N.E.
Washington D.C. 20426

Re: ***American Electric Power Service Corporation***
2020 Annual Update
Docket No. ER18-195-000

Dear Secretary Bose:

American Electric Power Service Corporation (“AEPSC”), on behalf of its affiliates, AEP Oklahoma Transmission Company, Inc. (“OKTCo”), and AEP Southwestern Transmission Company, Inc. (“SWTCo”), collectively “AEP” or “AEP West Transmission Companies”), hereby submits for filing, for informational purposes, the true-up of its 2019 annual transmission revenue requirement (“2020 Annual Update”). This 2020 Annual Update is submitted pursuant to Southwest Power Pool, Inc. (“SPP”) Open Access Transmission Tariff (“OATT”). The 2020 Annual Update includes fully populated Microsoft Excel files with formulas intact. Additionally, the Annual Update includes the 2019 Actuarial Report, which supports its Post-Employment Benefits Other than Pension (“PBOP”) expenses for the year¹ and a copy of the AEP Cost Allocation manual which identifies descriptions of AEPSC’s costs allocation methodologies. AEP’s protocols require AEP to include the magnitude of such costs billed to AEPSC’s affiliates. AEP typically includes its FERC Form No. 60 (“Form 60”) to reflect this as a requirement of the annual update. Due to delays caused by the COVID-19 Pandemic, AEP has not yet filed the Form 60. Once the Form 60 has been filed, AEP will update this docket with a copy.

During the 2019 review period, AEP determined corrections to the annual update were required to reflect removal of certain radial transmission assets². Pursuant to Section 6 of the protocols, AEP is reflecting these corrections as an adjustment of the 2020 annual update. Additionally, interest has been applied to these corrections through June 30, 2020.

¹ AEP engages Willis Towers Watson Actuarial Services to calculate the Post Retirement welfare obligation and expense using updated employee demographics and other actuarial assumptions such as discount rate, returns on assets, health care cost trend rate, and mortality table.

² Radial lines connecting to fewer than two non-affiliated customers do not meet the criteria for inclusion as transmission facilities defined by Attachment AI of the SPP OATT

The 2020 Annual Update attached hereto, including additional workpapers reflecting the above-referenced refunds, have been submitted to the Southwest Power Pool (“SPP”) for posting on its website at:

<http://opsportal.spp.org/OASIS/Directory/Member%20Related%20Postings>

A copy of this notice of such posting was provided to SPP, the parties in this docket, and to all affected state commissions on May 26, 2020. The 2020 Annual Update provides the annual transmission revenue requirements for the 2019 rate year to be billed with interest pursuant to the AEP Protocols accepted by FERC in this docket.³ The 2019 True-Up contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7). In addition, neither PSO nor SWEPCO has made any material changes in its accounting policies and practices from those in effect during the previous rate year and upon which the current rate is based.

AEP will host a webinar and teleconference meeting at 10:00 a.m., (Central Time) on July 8, 2020 to afford interested parties the opportunity to discuss the 2020 Annual Update. Information regarding this meeting will be available at:

<https://www.aep.com/requiredpostings/oatt>

Thank you for your attention to this informational filing. Please contact the undersigned if you have any questions concerning this filing.

Respectfully submitted,

/s/ Stacey Burbure

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³ Southwest Power Pool, Inc., 161 FERC ¶ 61,306 (2018)