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October 15, 2018

BY HAND DELIVERY

04:43 PM OCT 15 2018 EXEC SEC DIV

Ms. Ingrid Ferrell, Executive Secretary
Public Service Commission of West Virginia
201 Brooks Street
Charleston, West Virginia 25301

Re: *Case No. 12-1188-E-PC (Closed Entry)*
Application for Securitization Approval pursuant to
W.Va. Code §24-2-4f and Approval of Affiliated
Agreements pursuant to W.Va. Code §24-2-12.

Dear Ms. Ferrell:

I am enclosing herewith on behalf of Appalachian Power Company ("APCo") for filing as a closed entry in the above-referenced proceeding the original and twelve (12) copies of a periodic true-up adjustment pursuant to Section Q.(ii) of the Commission's September 20, 2013 Financing Order in the above-referenced proceeding. APCo, as servicer of the consumer rate relief bonds, is filing this adjustment to correct over-collections during the previous collection period and to ensure the billing of consumer rate relief charges necessary to generate timely collection of amounts sufficient to pay in full the Periodic Payment Requirements for the upcoming collection periods.

This filing consists of the following attachments:

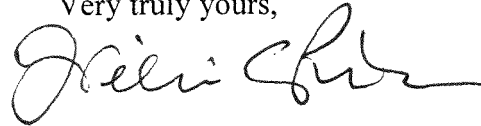
- (1) Calculation of APCRR Rates
- (2) Reconciliation of Over Collection from August 2017 through October 2017
- (3) Summary of Rate Design Calculation
- (4) Ninth Revision of Original Sheet No. 35
- (5) Consumer Rate Relief Charges for Special Contract Customers
- (6) Semi-Annual Servicer's Certificate

Ms. Ingrid Ferrell
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If the Commission has any questions about this filing or concludes that there are any mathematical error(s) in the application of the adjustment mechanism, please do not hesitate to contact the undersigned.

Very truly yours,



William C. Porth
(W.Va. State Bar #2943)

Counsel for Appalachian Power Company

WCP:sr
Enclosures

APCO CRR Rate Comparison

CRR Rate Classes	Previous Customer Rate Relief Charge Nov 17 - Oct 2018		New Customer Rate Relief Charge Nov 2018 - Oct 2019	
	¢/kWh	\$/kW	¢/kWh	\$/kW
Residential (RS, RS- TOD)	0.283		0.264	
Commercial - Secondary (SWS, SGS, SS-Secondary, GS-Secondary)	0.283		0.264	
Commercial - Primary (SS & GS Primary)	0.263		0.245	
Commercial - Subtransmission (GS - Subtransmission)	0.208		0.194	
Commercial - Special Contract C (Spec Contract C)	-		-	
Commercial - Athletic Fields (GS- AF & SS -AF)	0.170		0.159	
Commercial - OL & SL (OL & SL)	0.189		0.175	
Industrial - Secondary (LCP & IP Secondary)	0.230	0.871	0.194	0.899
Industrial - Primary (LCP & IP Primary)	0.201	0.441	0.170	0.420
Industrial - Subtransmission (LCP & IP Subtransmission)	0.217	0.457	0.183	0.402
Industrial - Transmission (LCP & IP- Tran, Spec Contract K)	0.175	0.291	0.149	0.260
Industrial - Special Contract A (Spec Contract A)	0.311	1.058	0.191	0.664
Industrial - Special Contract B (Spec Contract B)	0.120	0.092	0.089	0.084
Industrial - Special Contract D (Spec Contract D)	0.078	-	0.069	-
Industrial - Special Contract I (Spec Contract I)	0.107	0.188	0.095	0.172

Reconciliation of Over Collection from November 2017 through October 2018

Excess Funds Subaccount Balance as of Semi-Annual Servicer Certificate 8/1/18	\$2,520,557.45
Capital Subaccount Withdraw as of Semi Annual Servicer Certificate 8/1/18	0.00
True Up from the July 2018 monthly Servicer's Certificate, not wired until 8/25/2018	(132,143.29) add j or subtra

	Current Model Projected Collections	Actual Collections	(Under) Collected	
Aug-18	2,807,401.71	3,109,459.25	302,057.54	
Sep-18	2,840,905.90	2,776,853.17	(64,052.73)	-2.25%
Oct-18	2,737,919.78	2,676,189.03	(61,730.75)	-2.25%
				176,274.06
Section 101 (a) Over Collections				<u>2,564,688.22</u>

(1) CRR Rate Classes	(2) Revenue Allocation Percentage	(3) (a) Forecasted Monthly Billing Demand (kW)	(3) (b) Relative percentage of total revenue requirement	(4) Forecasted Energy		(5) Periodic Billing Requirement for each CRR Rate Class		(6) Customer Rate Relief Charge (\$/kWh)	(7) Customer Rate Relief Charge (\$/kWh)	(8) Revenue Verification	(9) Consumer Rate Relief Revenue Group
				Nov 2018 - Oct 2019 (kWh)		Demand	Energy				
Residential (RS, RS- TOD)	40.99%			4,993,041,876			\$13,198,731.41				
Commercial - Secondary (SWS, SGS, SS-Secondary, GS-Secondary)	24.17%			2,947,615,192		\$ 7,782,898.48		0.264		\$ 7,782,898.48	
Commercial - Primary (SS & GS Primary)	2.34%			307,611,370		\$ 754,888.31		0.245		\$ 754,888.33	
Commercial - Subtransmission (GS - Subtransmission)	0.16%			27,256,654		\$ 52,842.18		0.194		\$ 52,842.18	
Commercial - Special Contract C (Spec Contract C)	0.00%			2,396,495		\$ -		0.000		\$ -	Commercial
Commercial - Athletic Fields (GS- AF & SS -AF)	0.04%			7,123,749		\$ 11,323.32		0.159		\$ 11,323.32	
Commercial - OL & SL (OL & SL)	0.52%			95,131,974		\$ 166,075.43		0.175		\$ 166,075.44	
Industrial - Secondary (LCP & IP Secondary)	1.30%	17,933	46.14%	116,432,112	419,103.99	\$ 193,384.57	\$ 225,719.42	0.194	0.899	\$ 419,104.02	
Industrial - Primary (LCP & IP Primary)	8.57%	187,729	34.29%	1,066,314,743	2,759,101.24	\$ 946,093.82	\$ 1,813,007.42	0.170	0.420	\$ 2,759,100.84	
Industrial - Subtransmission (LCP & IP Subtransmission)	9.92%	228,912	34.60%	1,138,885,682	3,194,324.61	\$ 1,105,370.00	\$ 2,088,954.62	0.183	0.402	\$ 3,194,324.98	
Industrial - Transmission (LCP & IP- Train, Spec Contract K)	6.81%	213,081	30.27%	1,027,198,667	2,192,236.24	\$ 663,646.93	\$ 1,528,589.31	0.149	0.260	\$ 2,192,236.07	
Industrial - Special Contract A (Spec Contract A)	2.06%	32,000	38.43%	214,002,024	663,581.31	\$ 254,995.62	\$ 408,585.69	0.191	0.664	\$ 663,581.28	Industrial
Industrial - Special Contract B (Spec Contract B)	1.78%	110,000	19.41%	518,161,272	572,238.14	\$ 111,095.24	\$ 461,142.90	0.089	0.084	\$ 572,238.07	
Industrial - Special Contract D (Spec Contract D)	0.48%	37,540	0.00%	221,475,272	153,134.15	\$ -	\$ 153,134.15	0.069	0.000	\$ 153,134.16	
Industrial - Special Contract I (Spec Contract I)	0.67%	39,000	28.79%	208,694,781	279,402.66	\$ 80,430.41	\$ 198,972.24	0.095	0.172	\$ 279,402.73	
	100.00%			12,891,341,863		\$3,355,016.59	\$28,844,864.88			\$32,199,881.63	

APPALACHIAN POWER COMPANY
(See Sheet Nos. 2-1 through 2-7 for Applicability)

Ninth Revision of Original Sheet No. 35
Canceling Eighth Revision of Original Sheet No. 35

P.S.C. W.VA. TARIFF NO. 14 (APPALACHIAN POWER COMPANY)

**Consumer Rate Relief Charges
(CRRC)**

A Consumer Rate Relief Charge (CRRC) will be applied to customers' bills rendered on or after November 1, 2018 under the applicable Schedules as set forth in the table below.

<u>Schedule</u>	<u>Energy</u> (¢/kWh)	<u>Demand</u> (\$/kW)
(D) RS	0.264	
RS-TOD		
(D) On-peak	0.264	
(D) Off-peak	0.264	
(D) SWS	0.264	
(D) SGS	0.264	
SGS-LM-TOD		
(D) On-peak	0.264	
(D) Off-peak	0.264	
SS		
(D) Secondary	0.264	
(D) Primary	0.245	
(D) AF	0.159	
GS		
(D) Secondary	0.264	
(D) Primary	0.245	
(D) Subtransmission	0.194	
(D) Transmission	0.000	
(D) AF	0.159	
GS-TOD		
(D) On-peak Secondary	0.264	
(D) Off-peak Secondary	0.264	
(D) On-peak Primary	0.245	
(D) Off-peak Primary	0.245	
LGS-TOD		
(D) On-peak Secondary	0.264	
(D) Off-peak Secondary	0.264	
(D) On-peak Primary	0.245	
(D) Off-peak Primary	0.245	
LCP		
(D) Secondary	0.194	0.899
(D) Primary	0.170	0.420
(D) Subtransmission	0.183	0.402
(D) Transmission	0.149	0.260
IP		
(D) Secondary	0.194	0.899
(D) Primary	0.170	0.420
(D) Subtransmission	0.183	0.402
(D) Transmission	0.149	0.260
(D) OL	0.175	
(D) SL	0.175	

(C) Indicates Change, (D) Indicates Decrease, (I) Indicates Increase, (N) Indicates, New (O) Indicates Omission, (T) Indicates Temporary

Issued Pursuant to
P.S.C. West Virginia
Case No. 12-1188-E-PC
Order Dated September 20, 2013

Issued By
Christian T. Beam, President & COO
Charleston, West Virginia

Effective: Service rendered on or after
November 1, 2018

**CONSUMER RATE RELIEF CHARGES FOR SPECIAL CONTRACT CUSTOMERS
EFFECTIVE NOVEMBER 1, 2018**

<u>Special Contract Customer</u>	<u>Energy</u> (¢/kWh)	<u>Demand</u> (\$/kW)
Special Contract A	0.191	0.664
Special Contract B	0.089	0.084
Special Contract C	0.000	0.000
Special Contract D	0.069	0.000
Special Contract I	0.095	0.172
Special Contract K	0.149	0.260

Semi-Annual Servicer's Certificate
Appalachian Power Company, as Servicer
Appalachian Consumer Rate Relief Funding LLC

Pursuant to Section 4.01(c)(ii) of the CRR Property Servicing Agreement dated as of November 15, 2013 (the "Servicing Agreement"), between, APPALACHIAN POWER COMPANY, as Servicer and APPALACHIAN CONSUMER RATE RELIEF FUNDING LLC, the Servicer does hereby certify, for the August 1, 2018 Payment Date (the "Current Payment Date"), as follows:

Capitalized terms used herein have their respective meanings as set forth in the Indenture (as defined in the Servicing Agreement). References herein to certain sections and subsections are references to the respective sections of the Servicing Agreement or the Indenture, as the context indicates.

Collection Periods: Feb-2018 to Jul-2018

Payment Date: 8/1/2018

1. Collections Allocable and Aggregate Amounts Available for the Current Payment Date:

i. Remittances for the 2/18 Collection Period	3,018,723.77
ii. Remittances for the 3/18 Collection Period	3,142,798.00
iii. Remittances for the 4/18 Collection Period	2,893,140.40
iv. Remittances for the 5/18 Collection Period	2,762,607.08
v. Remittances for the 6/18 Collection Period	2,789,401.93
vi. Remittances for the 7/18 Collection Period	3,073,427.57
x. Investment Earnings on Collection Account	
xi. Investment Earnings on Capital Subaccount	13,961.23
xii. Investment Earnings on Excess Funds Subaccount	9,641.77
xiii. Investment Earnings on General Subaccount	67,290.22
xiv. General Subaccount Balance (sum of i through xiii above)	17,770,991.97
xv. Excess Funds Subaccount Balance as of Prior Payment Date	1,499,824.62
xvi. Capital Subaccount Balance as of Prior Payment Date	1,901,500.00
xvii. Collection Account Balance (sum of xiv through xvi above)	21,172,316.59

2. Outstanding Amounts as of Prior Payment Date:

i. Tranche A-1 Outstanding Amount	122,467,349.22
ii. Tranche A-2 Outstanding Amount	164,500,000.00
iii. Aggregate Outstanding Amount of all Tranches:	286,967,349.22

Notes:

¹ February's remittances include the previous months true-up amount and money left in the General funds account. July's remittances do not include the previous month's true-up, which will settle on August 25, 2018.

3. Required Funding/Payments as of Current Payment Date:

Principal				Principal Due
i. Tranche A-1				12,206,738.99
ii. Tranche A-2				0.00
iii. For all Tranches:				12,206,738.99
Interest Tranche	Interest Rate	Days in Interest Period (1)	Principal Balance	Interest Due
iv. Tranche A-1	2.0076%	180	122,467,349.22	1,229,327.25
v. Tranche A-2	3.7722%	180	164,500,000.00	3,102,634.50
vi. For all Tranches:				4,331,961.75
			Required Level	Funding Required
vii. Capital Subaccount			1,901,500.00	0.00
			1,901,500.00	0.00

4. Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture:

i. Trustee Fees and Expenses, Indemnity Amounts ²		95,075.00
ii. Servicing Fee		50,000.00
iii. Administration Fee		10,864.52
iv. Operating Expenses		4,331,961.75
v. Semi-Annual Interest (including any past-due for prior periods)		
Tranche	Aggregate	Per \$1000 of Original Principal Amount
1. Tranche A-1 Interest Payment	1,229,327.25	\$5.6966
2. Tranche A-2 Interest Payment	3,102,634.50	\$18.8610
	4,331,961.75	
vi. Principal Due and Payable as a Result of Event of Default or on Final Maturity Date		0.00
1. Tranche A-1 Principal Payment	0.00	\$0.0000
2. Tranche A-2 Principal Payment	0.00	\$0.0000
	0.00	

Notes:

¹ On 30/360 day basis for initial payment date; otherwise use one-half of annual rate.

² Subject to \$100,000 cap

vii. Semi-Annual Principal 12,206,738.99

<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Principal Payment	12,206,738.99	\$56.5651
2. Tranche A-2 Principal Payment	0.00	\$0.0000
viii. Other Unpaid Operating Expenses		0.00
ix. Funding of Capital Subaccount		1,901,500.00
x. Permitted Return to APCo		55,618.88
xi. Deposit to Excess Funds Subaccount		2,520,557.45
xii. Released to Issuer upon Retirement of all Consumer Rate Relief Bonds		0.00
xiii. Aggregate Remittances as of Current Payment Date		21,172,316.59

5. Outstanding Amount and Collection Account Balance as of Current Payment Date (after giving effect to payments to be made on such Payment Date):

<u>Tranche</u>	
i. Tranche A-1	110,260,610.23
ii. Tranche A-2	164,500,000.00
iii. Aggregate Outstanding Amount of all Tranches	274,760,610.23
iv. Excess Funds Subaccount Balance	2,520,557.45
v. Capital Subaccount Balance	1,901,500.00
vi. Aggregate Collection Account Balance	4,422,057.45

6. Subaccount Withdrawals as of Current Payment Date (if applicable, pursuant to Section 8.02(e) of Indenture):

i. Excess Funds Subaccount	1,509,466.39
ii. Capital Subaccount	1,915,461.23
iii. Total Withdrawals	3,424,927.62

7. Shortfalls In Interest and Principal Payments as of Current Payment Date:

i. Semi-annual Interest	
1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
	0.00
ii. Semi-annual Principal	
1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
	0.00

8. Shortfalls in Payment of Permitted Return as of Current Payment Date:

i. Permitted Return	0.00
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9. Shortfalls in Required Subaccount Levels as of Current Payment Date:

i. Capital Subaccount	0.00
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IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Servicer's Certificate this 31st day of July, 2018.

APPALACHIAN POWER COMPANY
as Servicer

By: 

Name: Renee V. Hawkins
Title: Assistant Treasurer

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

CASE NO. 12-1188-E-PC

APPALACHIAN POWER COMPANY and
WHEELING POWER COMPANY,
public utilities.

Petition for consent and approval of application
to securitize uncollected expanded net energy costs
pursuant to W.Va. Code §24-2-4f and affiliated
agreements pursuant to W.Va. Code §24-2-12.

CERTIFICATE OF SERVICE

I, William C. Porth, counsel for Appalachian Power Company, do hereby certify that true copies of the foregoing filing were served by hand delivery or first-class U.S. Mail this 15th day of October, 2018, addressed to the following:

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