



American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215

May 22, 2026

Honorable Debbie-Anne A. Reese  
Secretary  
Federal Energy Regulatory Commission  
888 First St., N.E.  
Washington D.C. 20426

Re: ***Public Service Company of Oklahoma  
Southwestern Electric Power Company  
Informational Filing of True-Up of 2025 Annual Transmission Revenue  
Requirement  
Docket No. ER18-195-000***

Dear Secretary Reese:

Public Service Company of Oklahoma (“PSO”) and Southwestern Electric Power Company (“SWEPCO”) (collectively referred to herein as “AEP” or “AEP West Operating Companies”), hereby submit for filing, for informational purposes, the true-up of the 2025 annual transmission revenue requirement (“2026 Annual Update”). This 2026 Annual Update is submitted pursuant to Attachment H, Addendum 4, Part 2 (“Protocols”) of the Southwest Power Pool, Inc. (“SPP”) Open Access Transmission Tariff (“OATT”) and includes fully populated Microsoft Excel files with formulas intact.<sup>1</sup> Additionally, the 2026 Annual Update includes a copy of the AEP Cost Allocation Manual which identifies descriptions of AEP’s cost allocation methodologies and the 2025 Actuarial Report.<sup>2</sup>

As required by the Protocols,<sup>3</sup> the materials have been submitted to SPP for posting on its website at:

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

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<sup>1</sup> Southwest Power Pool, Inc, Open Access Transmission tariff, Sixth Revised Volume No. 1., Attachment H, Addendum 4, Part 2, § 3 (“Protocols”). *See also* Staff’s Guidance on Formula Rate Updates (July 17, 2014).

<sup>2</sup> 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.

<sup>3</sup> Protocols at § 3.a.

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 22, 2026.

The 2026 Annual Update provides the annual transmission revenue requirements for the 2025 rate year to be billed with interest pursuant to the AEP Protocols accepted by FERC in this docket.<sup>4</sup> This true-up of the 2025 annual transmission revenue requirement 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).

Section 3.e.(i.) of the Protocols and the Commission Staff's Guidance on Formula Rate Updates requires AEP to submit supporting documentation for data not otherwise available in its FERC Form No. 1. On March 17, 2026, as amended on May 13, 2026, AEP filed revisions to its Formula Rate Template contained in Addendum 4 to Attachment H – Part 1 in Docket No. ER26-1820-000 to implement changes necessitated by the Commission's revisions to FERC Form No. 1 adopted in Order No. 898, to be effective January 1, 2025.<sup>5</sup> Specifically, AEP updated the template to reflect Order No. 898's new functional class for energy storage accounts. The formula rate templates included in this annual update incorporate the changes currently pending in that proceeding. To the extent the Commission modifies the AEP West Operating Companies' filing, AEP will submit a revised annual update to reflect such modifications. Due to the implementation of Order No. 898, the Gross Plant In Service beginning balances for Distribution Plant, General Plant, and Intangible included in the formula rate templates do not match the FERC Form No. 1 balances reported on pages 204, 206, and 207. The 13-month balances in Worksheet A-1 are the true representation of the assets as of December 31, 2024. FERC Staff are aware of this one-time numerical discrepancy between the FERC Form No. 1 and the formula rate template and have recommended use of the current approach for reporting beginning balances.

Additionally, the 2026 Annual Update reflects adjustments calculated pursuant to the Commission's June 30, 2025, order in the above captioned docket.<sup>6</sup> The adjustments are detailed in AEP's August 29, 2025 compliance filing, which was accepted by the Commission on April 10, 2026.

As required by the Protocols, AEP will host a webinar and teleconference meeting at 11:00 a.m. (Eastern Time) on June 18, 2026, to afford interested parties the opportunity to discuss the 2026 Annual Update.<sup>7</sup> Information regarding this meeting will be available at:

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

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<sup>4</sup> *Southwest Power Pool, Inc.*, 161 FERC ¶ 61,306 (2018).

<sup>5</sup> Accounting & Reporting Treatment of Certain Renewable Energy Assets, Order No. 898, 183 FERC ¶ 61,205 (2023) (“Order No. 898”).

<sup>6</sup> *AEP Okla. Trans. Co.*, 191 FERC ¶ 61, 239 (2025).

<sup>7</sup> Protocols at § 3.d.

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

Respectfully submitted,

/s/ John C. Crespo

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