



American Electric Power
801 Pennsylvania Ave, NW, Suite 735
Washington, DC 20004-2615

May 25, 2021

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

Re: ***American Electric Power Service Corporation***
2021 Annual Update
Docket No. ER18-195-000

Dear Secretary Bose:

American Electric Power Service Corporation (“AEPSC”), on behalf of its affiliates, Public Service Company of Oklahoma (“PSO”), and Southwestern Electric Power Company (“SWEPCO”), collectively “AEP” or “the AEP West Operating Companies”), hereby submits for filing, for informational purposes, the true-up of its 2020 annual transmission revenue requirement (“2021 Annual Update”). This 2021 Annual Update is submitted pursuant to Southwest Power Pool, Inc. (“SPP”) Open Access Transmission Tariff (“OATT”). The 2021 Annual Update includes fully populated Microsoft Excel files with formulas intact. Additionally, the Annual Update includes a copy of the AEP Cost Allocation manual which identifies descriptions of AEPSC’s costs allocation methodologies and the 2020 Actuarial Report, which supports its Post-Employment Benefits Other than Pension (“PBOP”) expenses for the year.¹

The 2021 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://sppoasis.spp.org/documents/SWPP/MemberRelatedPostings/MemberRelatedPostings.asp>

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 24, 2021. The 2021 Annual Update provides the annual transmission revenue requirements for the 2020 rate year to be billed with interest pursuant to the AEP Protocols accepted by FERC in this docket.² The 2020 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

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

Kimberly D. Bose, Secretary
May 25, 2021
Page 2

practices, as defined in 18 C.F.R. § 35.13(b)(7). Finally, in response to an audit finding in Docket No. FA17-2, AEP revised its accounting procedures related to the accounting for Reimbursements of Customer Funded Capital Projects. Otherwise, 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 1:00 p.m., (Central Time) on June 29, 2021 to afford interested parties the opportunity to discuss the 2021 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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