

**PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA  
in the City of Charleston on the 16<sup>th</sup> day of April 2026.

CASE NO. 24-0289-E-P – Reopened

APPALACHIAN POWER COMPANY and  
WHEELING POWER COMPANY  
Petition to Update the MRBC Rates Currently in Effect.

and

CASE NO. 24-0415-E-P – Reopened

APPALACHIAN POWER COMPANY and  
WHEELING POWER COMPANY  
Petition for Review of Vegetation Management Program  
and Update of VMP Surcharge.

and

CASE NO. 24-0322-E-IMM – Reopened

APPALACHIAN POWER COMPANY and  
WHEELING POWER COMPANY  
Petition to Update the Broadband Surcharge Rates  
Currently in Effect.

and

CASE NO. NOIE APCO AND WHEELING 26A

APPALACHIAN POWER COMPANY and  
WHEELING POWER COMPANY  
Notice of Intent to File General Base Rate Case.

## **COMMISSION ORDER**

The Commission establishes the cumulative revenue requirements for the Modified Rate Base Cost (MRBC) true-up as discussed in previous Orders. In addition, we address the final true-up of both the Vegetation Management Program (VMP) deferral and the Broadband Surcharge deferral and authorize Appalachian Power Company and Wheeling Power Company (jointly Company or Companies) to include these deferrals in their next Expanded Net Energy Cost (ENEC) filing. The Commission also considers an alternative to the Electricity Rate Stabilization (ERS) surcharge requested by the Companies in Case No. 24-0854-E-42T and, in lieu of that request, we conditionally approve a base rate adjustment mechanism to moderate and stabilize base rate changes and tariff filings.

## **BACKGROUND**

On November 1, 2024, in Case No. 24-0854-E-42T, the Companies filed revised tariff sheets reflecting increased electric rates and charges of approximately \$250.5 million or 14.6 percent.

On August 28, 2025, also in Case No. 24-0854-E-42T, the Commission issued an Order (August Order) authorizing an increase of \$76.1 million, or approximately 4.4 percent of total revenue and requiring that the current rates remain unchanged pending the effects and rate adjustments associated with a proposed securitization of a significant portion of the Companies' investment in generation plants and regulatory assets.

On February 20, 2026, in the same case, the Commission issued an Order on Petitions for Reconsideration (February 2026 Order), authorizing a revenue requirement based on an adjusted return on equity of 9.75 percent, which resulted in a weighted average overall rate of return of 7.07 percent. This change increased the total authorized increase from \$76.1 million to \$91.0 million, or approximately 5.3 percent of total revenue.

In the February 2026 Order the Commission addressed the MRBC deferred balance which the Companies had noted was still unresolved. We explained:

The Commission is not forgetting the MRBC. The MRBC will be considered in a final true-up proceeding for all of the surcharge cases that are ending as we stated on page 18 of the August 28, 2025 Commission Order. The

Commission intends to hold this true-up proceeding prior to the finalization of Case No. 25-0310-E-P.<sup>1</sup>

On March 31, 2026, the Commission issued an order in Case No. 25-0310-E-P (Securitization Financing Order), authorizing the issuance of \$2.6 billion in bonds to secure certain assets, including a projected \$492.2 million ENEC under-recovery of previously approved costs. The Commission noted that the ENEC under-recovery component of the authorized securitization amount included estimates for certain offsets that will continue until securitization bonds are finalized, which is not anticipated before August 31, 2026. By establishing the total cumulative MRBC Revenue Requirement from its inception in this Order and authorizing the Companies to recover any amount authorized that has not already been recovered from the ENEC billed revenue, the final ENEC under-recovery will be affected by this Order. That balance may also be impacted by the VMP and Broadband Surcharge true-up which will be included in the upcoming ENEC proceeding. The Companies are directed to prepare the over/under-recovery schedules in the upcoming ENEC filing to clearly show the ENEC over- or under-recovery balance projected to August 31, 2026.

## **DISCUSSION**

### **A. MODIFIED RATE BASE COSTS**

In the Commission's June 30, 2021 Order in Case No. 20-1012-E-P, the Commission approved a special cost recovery mechanism to reflect periodic changes in net rate base due to additions of certain rate base components. In that proceeding the Commission approved an initial cost recovery rate increment to produce annual revenue of \$44.2 million effective September 1, 2021.

The Companies filed for and were authorized to update the MRBC rates in Case Nos. 22-0304-E-P and 23-0298-E-P. Then, on March 15, 2024, the Companies filed for a final update of the MRBC rates effective September 1, 2024. That filing was designated Case No. 24-0289-E-P.

On July 10, 2025, the Commission issued an Order in Case No. 24-0289-E-P in which the Commission denied modifications to the MRBC surcharges and deferred final consideration to the pending base rate case (Case No. 24-0854-E-42T) or a possible final true-up MRBC proceeding. In that Order, the Commission explained that, for the final true-up, the revenue requirements during the entire period that the MRBC mechanism was in effect will be compared to the revenue billed to customers at the various MRBC rate levels that have been

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<sup>1</sup> Commission Order, Case No. 24-0854-E-42T, Feb. 20, 2026, at 17.

in effect and a final over- or under-recovery will be determined. We recognized that deferring a final rate increment would likely result in an under-recovery, which is contrary to the intent of the MRBC. Therefore, the Commission approved a carrying charge to apply to under-recoveries beginning in September 2024 (post-September 1 under-recoveries) at a monthly carrying charge rate equal to one-twelfth of the weighted average cost of capital to be approved in the Companies' pending base rate case. We also approved a carrying charge at the same rate beginning in September 2024 to apply to one-twelfth of the accumulated over- or under-recovery balance determined to be incurred effective August 31, 2024, (pre-September 1 over- or under-recoveries) and increasing that amount by an additional one-twelfth of the August 31, 2024 balance each month thereafter (not to exceed the total August 31, 2024 balance) for purposes of calculating a carrying charge on pre-September 1 over- or under-recoveries.

The Commission now determines that a final true-up of the MRBC should be concluded at this time. We base the true-up on the records developed in the prior MRBC cases and determine that there is sufficient evidence in those cases to quantify the total cumulative revenue requirement that the Companies are entitled to recover over the life of the MRBC until it was rolled into base rates.

The following table provides data from the various MRBC cases.

Appalachian Power Company and Wheeling Power Company Modified Rate Base Cost History							
Case Number	20-1012-E-P		22-0304-E-P	23-0295-E-P		24-0289-E-P	
	As Filed	Revised By Commission	As Filed	As Filed	Revised In Rebuttal 24-0289	As Filed	Revised In Rebuttal 24-0289
Period Used For Incremental Increase in Rate Base	1/1/2018 thru 9/30/2020		10/1/2020 thru 9/30/21	10/1/2021 thru 9/30/22		10/1/2022 thru 9/30/2023	
Cumulative Rate Base Increase	\$332.2	\$332.2	\$355.6	\$437.6	\$437.6	\$564.2	\$564.2
Rate of Return	<del>0.07283</del>	0.06692	0.06808	0.06737	0.06737	0.06988	0.06988
Return	<del>\$24.2</del>	\$22.2	\$24.2	\$29.5	\$29.5	\$39.4	\$39.4
FIT	<del>\$8.3</del>	\$3.9	\$4.3	\$5.1	\$5.1	\$6.6	\$6.6
SIT		\$0.8	\$0.9	\$1.0	\$1.0	\$1.2	\$1.2
Depreciation	\$17.3	\$17.3	\$27.1	\$39.7	\$39.7	\$47.7	\$47.7
Sub Total	<del>\$49.8</del>	\$44.2	\$56.5	\$75.3	\$75.3	\$94.9	\$94.9
Under-recovery				<del>\$0.4</del>		<del>\$2.6</del>	
Rev Req on Deferred SIT Adjustment				-\$9.2	-\$9.2		
Franklin Road Rev Req Adjustment					-\$0.7	-\$0.7	-\$0.7
Agreed ADIT Allocation Adjustment					-\$1.1		-\$2.2
Agreed AFUDC Adjustment							-\$0.1
Agreed Wheeling Depreciation Adj							-\$0.2
<b>Accumulaed Revenue Requirement \$256.7 Million</b>	<del>\$49.8</del>	\$44.2	\$56.5	<del>\$66.5</del>	\$64.3	<del>\$96.8</del>	\$91.7
Case Record Page Reference	Filing KIW-D2 p1	Order Appendix A (Authorized)	Filing KIW-D2 p1 (Authorized)	Original Filing Bates 38 (Authorized)	Co. Rebuttal 24-0289 Bates 15	Original Filing Bates 38	Co. Rebuttal 24-0289 Bates 15
Increase Originally Authorized		\$44.2	\$12.3	<del>\$10.0</del>			
True Up Increase Authorized		\$44.2	\$12.3		\$7.8		\$27.4
Rates in Effect		9/1/2021	9/1/2022		12/19/2023		Deferred

The columns with crossed-out data represent the cost elements as filed by the Companies in each case. In three of the four cases the filed numbers were modified either by the Commission or by Company updates. The second column in those cases include the cost elements as approved by the Commission or as modified by the Companies. Those columns are shaded and represent the cost elements that the Commission determines are the correct cost components that represent the total revenue requirement during the MRBC period running from September 1, 2021, through August 28, 2025, when the MRBC costs were rolled into base rates.

In Case No. 20-1012-E-P the Companies filed for an MRBC total revenue requirement of \$49.8 million. The Commission adjusted the allowed revenue requirement to \$44.2 million.

In Case No. 22-0304-E-P the Companies filed a revenue requirement of \$56.9 million. That revenue requirement was agreed to by all parties in that case and was approved by the Commission.

In Case No. 23-0298-E-P the Companies filed a revenue requirement of \$66.5 million. The Companies subsequently modified the revenue requirement to \$64.3 million, excluding the under-recovery, by agreeing to a downward adjustment of \$700,000 related to the Franklin Road Building and a downward adjustment related to Staff's proposed modification to allocations of Accumulated Deferred Income Taxes. In that filing the Companies proposed a \$9.2 million downward adjustment that was a correction to the revenue requirements in Case Nos. 20-1012-E-P and 22-0304-E-P. The Companies volunteered this adjustment when they discovered an error in the credits to rate base for deferred State income taxes. The Commission has determined that while that adjustment is properly included in the revenue requirements in the two previous cases, the end result of the one-time credit as proposed by the Companies is accurate for calculating the final cumulative revenue requirement for the entire MRBC period.

In Case No. 24-0289-E-P the Companies originally filed a revenue requirement of \$96.8 million. They subsequently modified the calculated revenue requirements to \$91.7 million, excluding under-recovery, by accepting certain Staff adjustments as shown on the above table.

The Commission has included citations to the various documents where the data in the table was included in the records of the cases. The total of the Commission authorized revenue requirements for the full MRBC period running from September 1, 2021 to August 28, 2025 is \$256.7 million.

In some special rate cases, such as the ENEC, VMP, natural gas 390P, natural gas 30C, water DSIC and others, rates are established based on projections of rate base investment, expenses, and revenue in a future period. Over- or under-recoveries of the related revenue requirements are influenced by the accuracy of both the dollar amount and the timing of the projections. The Commission requires regular true-ups in the form of a timely determination of those over- or under-recoveries and allowing for collection by the utility or credits back to customers when designing rates. Unlike those cases, there are no projections in the MRBC cases. The MRBC rates include only revenue requirements on rate base already in service before the MRBC rate increments go into effect. The only projections involved were for the future revenue over which to spread the known

costs. Therefore the only over- or under-recovery during the period that each MRBC rate is in effect would normally be attributable to higher or lower than expected billing units.<sup>2</sup> This is certainly possible and would be caused by higher or lower sales volumes than had been projected. However, due to the predictability of revenue and the fact that the MRBC revenue requirement was a known and fixed value rather than a projection, the magnitude of over- or under-recoveries was expected to be small from year to year making regular annual true-ups less likely to be significant than in other special cost recovery cases.

The timing of the rate increases to recover the known MRBC revenue requirements has led to under-recoveries that were unexpected when we established the MRBC rate mechanism structure. In Case No. 23-0298-E-P, for example, the authorized rate increase to recover the approved revenue requirements should have gone into effect on September 1, 2023. The increase did not go into effect until December 19, 2023. The result was that the Companies under-recovered a portion of the required increase from September 1, 2023, to December 12, 2023. The increase authorized, however, was small so the resulting under-recovery should also be small. A larger under-recovery is expected for Case No. 24-0289-E-P revenue requirements because the Commission deferred an increase in the MRBC rate increment for a longer period of time, pending a roll-in of the MRBC revenue requirements into the base rate case that was under consideration at that time.

To recognize that the deferral, while waiting for the base rate case roll-in that would result in under-recoveries, the Commission authorized a carrying charge on the under-recoveries that would accrue after September 1, 2024 as well as on under-recoveries that had accumulated prior to September 1, 2024.

While we have determined that the cumulative revenue requirement from September 1, 2021, to August 28, 2025, is \$256.7 million, the records in the various MRBC cases do not present a clear and complete history of the MRBC revenues. To complete the true-up process, the Companies should provide an accounting of the total MRBC rate increment revenue billed to customers from September 1, 2021, through August 28, 2025. The difference between the amount billed and the cumulative revenue requirement of \$256.7 million is the under-recovery that the Companies are authorized to recover. In addition, we authorize recovery of the

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<sup>2</sup> The MRBC rates were set as a percentage multiplier applied to base rates. Thus, if the known MRBC revenue requirement was \$3 million and expected future base rates were \$100 million, the MRBC base rate multiplier would be set at 3 percent. If the base revenue was exactly \$100 million over the next year there would be no over- or under-recovery. However, if the base revenue dropped to \$90 million, the MRBC rate multiplier would produce only \$2.7 million instead of the targeted \$3 million, resulting in a \$300,000 under-recovery. If actual base revenue grew to \$110 million, the MRBC rate multiplier would produce \$3.3 million, or an over-recovery of \$300,000. Since base revenue tends to be relatively predictable from year to year, we did not expect significant MRBC over- or under-recoveries.

carrying charge as described above. The Companies are directed to file the revenue billed detail and the calculation of the carrying charge as a closed entry in Case No. 24-0289-E-P within five working days of this Order.

One remaining issue is the ADIT Net Operating Loss Carryforward (NOLC) regulatory asset. We discussed this issue extensively in the Order issued July 10, 2025, and we refer to the discussion in that Order to fully explain why the Commission believes that exclusion of a NOLC regulatory asset is not a normalization violation. We will not, however, adjust the Companies' MRBC revenue requirements to exclude the NOLC regulatory asset from rate base.

The Commission authorizes the Companies to collect the revenue requirement associated with the NOLC ratemaking adjustments in the MRBC. All collections of the NOLC revenue requirement in the MRBC are subject to refund or credit to the benefit of ratepayers, as determined by the Commission, pending a private letter ruling (PLR) from the IRS as discussed in the Commission's Order in Case No. 24-0854-E-42T or other IRS guidance or action confirming that the NOLC ratemaking adjustments are necessary to comply with the normalization requirements in the Internal Revenue Code and Regulations (Code). If the IRS determines, as the Commission expects, that the NOLC ratemaking adjustments are not necessary to comply with the normalization requirements in the Code, the NOLC revenue requirement collections will be credited to the benefit of customers, as directed by the Commission. If the IRS determines that the NOLC ratemaking adjustments are necessary to comply with the Code, whether through a PLR, guidance issuance or other IRS action, no further action is necessary.

If a letter ruling is required to satisfy the Companies that a future exclusion of the NOLC regulatory asset is not a normalization violation, the Commission fully supports and will cooperate and participate in obtaining a letter ruling from the IRS. The Commission again wishes to make it clear, as we have in other Orders addressing this issue, that it has always intended and always set revenue requirements and rates based on the evidence and our understanding of IRS requirements so that the West Virginia retail ratemaking process complies with the federal statutory normalization requirements.

## **B. VEGETATION MANAGEMENT AND BROADBAND SURCHARGE**

The Commission has previously stated that the VMP and Broadband Surcharge cases require a true-up of the over- or under-recovery balances related to rates established subject to true-up in various VMP and Broadband Surcharge cases. In the last cases involving VMP and the Broadband Surcharge there were outstanding over-recoveries that were reflected in rates. We, however, have not

received a final accounting as to whether there is still either an over-recovery or under-recovery for those programs.

To finalize the status of the net over- or under-recoveries for VMP and the Broadband Surcharge, we will direct the Companies to file an accounting of those balances as part of their next ENEC proceeding, which is expected prior to May 1, 2026. The Companies should also propose their recommended ratemaking treatment of any over- or under-recovery balances at that time.

### **C. NOTICE OF INTENT TO FILE A BASE RATE CASE**

On April 6, 2026, the Companies filed a Notice of Intent to file a general base rate case in not less than thirty (30) days. The Commission has considered the potential impact of such a filing, and whether there is any alternative that could extend the timing between general base rate cases, levelize and moderate the magnitude of future rate increase requests, incentivize the Companies to control costs so as to reduce the need for, and magnitude of, general base rate cases and, at the same time, consider the needs of the Companies to timely recover reasonable and prudently incurred costs.

The last general base rate case of the Companies was filed on November 1, 2024 and rates in that case went into effect on August 28, 2025. A filing allowed by the Notice of Intent could be made as soon as May 6, 2026, and after suspension could go into effect on March 2, 2027. Thus, the total elapsed time between major base rate cases could be as short as eighteen months.

The Commission addressed incentive rate allowances as an alternative to full-blown base rate cases in the most recent rate case of the Companies. In that case the Companies filed for approval of an automatic increase of up to three percent per year for four years. The requested automatic percentage increase would have applied to total revenue, including ENEC revenue.

The Commission noted several problems with the request, including the application of an inflation-based adjustment factor to total revenues, which included ENEC revenues that were subject to annual review and modification. We did not, however, dismiss the concept totally. We noted that we had some success in the past with limited automatic adjustments, conditioned on extended periods of time between base rate filings, along with a cap and excluding ENEC or other revenues that were subject to separate adjustment mechanisms. We further noted that the request could be reconsidered, provided there was a different structure than the one proposed by the Companies.

The Commission has reconsidered the timing for an experimental, limited inflation-based revenue adjustment combined with a base rate stay-out agreement and will authorize an adjustment for the Companies if they commit to a longer period of time between base rate cases and withdraw their Notice of Intent.

We have reviewed the statistics provided by the U.S. Bureau of Labor Statistics and believe that a combination of recent inflation as measured by several Producer Price Index (PPI) data bases can be a reasonable inflation-based revenue adjustment mechanism if applied only to base rates. The PPI Data for Electric Power Distribution will be used as an initial basis for an inflation index. We will apply that index to residential and commercial rates.

The average inflation, year-over-year for the Electric Power Distribution Index increased 2.4 percent, average 2024 over 2023, and 4.5 percent, average 2025 over 2024. Given that limited trend and noting that inflation for several years prior to 2024 cannot be used for a longer trend and should be discounted due to extreme variability, we find it reasonable to consider an inflation-based index of 4.0 percent for residential and commercial base rates. The Companies should calculate new rates by adding an increment to current base rates but applying the 4.0 percent to only the base rate portion of residential and commercial rates, after including the applicable rate increments necessary to reflect the \$91 million increase authorized in Case No. 24-0854-E-42T.

The cost of providing service to industrial customers relate more to transmission and power plant facilities than those related to local distribution. The average inflation indices for certain steel, aluminum, wire, and similar construction materials have increased similar to the Distribution Index. However, certain electrical equipment inflation indices have tended to be lower than the Electric Power Distribution Index. For example, the PPI for Current-Carrying Wire Manufacturing increased 3.0 percent average 2025 over 2024 and 2.0 percent 2024 over 2023. The two-year average was 2.5 percent. We find it reasonable to consider an inflation-based index of 2.5 percent for industrial tariff base rates, excluding Special Contract agreements which contain negotiated terms and conditions and rate components that are unique to each Special Contract. The Companies should calculate new rates by adding an increment to current base rates but calculating that increment by applying the 2.5 percent to only the base rate portion of industrial rates (excluding Special Contract rates), after including the applicable rate increments necessary to reflect the \$91 million increase authorized in Case No. 24-0854-E-42T.

Based on our review of the Companies' revenue as reflected in recent base and ENEC proceedings, we believe that the 4.0 percent and 2.5 percent base rate increases equate to an overall base rate adjustment of 3.5 percent, or

approximately \$40.1 million. When compared to total revenue, the resulting increase is approximately 2.0 percent.

We will authorize an inflation-based rate adjustment of 4.0 percent for residential and commercial base rates and 2.5 percent for industrial base rates, excluding Special Contract rates, effective June 1, 2026, on the condition that the Companies (1) agree that they have reviewed our recent Securitization Order and confirm that they will proceed with the Securitization, unless otherwise ordered by the Commission, (2) agree that they will withdraw their Notice of Intent, and (3) agree that they will not file a base rate case prior to June 1, 2027. Our proposed increase, to be effective June 1, 2026, does not provide any assurance that the Commission will authorize subsequent inflation-based increases after June 1, 2027, however the Commission may consider a continuation of such a rate adjustment mechanism.

This authorization is reasonable given the facts and circumstances applicable to the Companies, including the recent elimination of other special purpose annual adjustments, and the expected benefits of securitizing a large portion of their assets at a favorable rate of return for customers that does not include a return on equity and does not require income taxes on the revenue required to pay the securitization bonds.

If the Companies agree to the conditions for the inflation based rate adjustment, they should file a proposed tariff reflecting the adjustment to the current tariff rates with the inflation-factor rate increment calculated on the modified base rates which reflect the appropriate portion of the \$91 million increase authorize in Case No. 24-0854-E-42T, a proposed Notice of Rate Changes and Public Notice, a statement from an authorized Company representative indicating that the Companies agree to withdraw the Notice of Intent and that no base rate case will be filed prior to June 1, 2027, and a statement regarding securitization as discussed above, within five business days of the date of this Order.

### **FINDINGS OF FACT**

1. The timing of MRBC rate increases relative to the annual rate base growth for the Companies affected the under-recoveries in the Companies' MRBC cases.

2. The difference between the amount billed and the cumulative revenue requirement of \$256.7 million, plus carrying charges, is the under-recovery that the Companies are entitled to collect from ENEC revenue as discussed herein.

3. Given the filing of NOIE Appalachian Power Company and Wheeling Power Company 26A, ratepayers could see less than eighteen months between rate increases derived from base rate cases.

4. A combination of the PPI Data for Electric Power Distribution and PPI Data for other construction and manufacturing indices, including Current-Carrying Wiring Devices is a reasonable basis for the Commission to determine an inflation-based revenue adjustment mechanism if applied to base rates.

5. The two-year inflation index and trend for Electric Power Distribution for 2023 and 2024 supports a 4.0 percent inflation-based adjustment factor to be applied to base rates at distribution levels, which is applicable mostly to residential and commercial customers.

6. The two-year average inflation for the Electric Power Distribution Index as modified to reflect service at transmission, sub-transmission and primary distribution levels for most industrial customers supports a 2.5 percent inflation-based adjustment factor to apply to industrial rates, excluding Special Contract rates.

### **CONCLUSIONS OF LAW**

1. The Companies should prepare the over/under-recovery schedules in the upcoming ENEC filing to clearly show the ENEC over- or under-recovery balance projected to August 31, 2026.

2. The Commission should not adjust the Companies' MRBC revenue requirements to exclude the NOLC regulatory asset from rate base to provide the Companies with an opportunity to verify that such exclusion does not violate IRS normalization requirements.

3. It is reasonable that the revenue requirement for the inclusion in rate base of the allowance for the NOLC regulatory asset, is an interim allowance subject to further consideration in the future and refund or credits to the benefit of customers if it is verified that the NOLC deferred ADIT debit can, given the ratemaking deferred tax calculations made by the Commission, be excluded from rate base without violating IRS normalization requirements.

4. To complete the MRBC true-up process, the Companies should provide an accounting of the total MRBC rate increment revenue billed to customers from September 1, 2021, through August 28, 2025.

5. The Companies should file a final accounting for VMP and Broadband Surcharges to determine whether there is an over- or under-recovery balance for each of those programs.

6. The Commission should authorize an inflation-based rate adjustment of 4.0 percent for residential and commercial base rates and 2.5 percent for industrial base rates excluding Special Contract rates on the condition that the Companies agree (i) to proceed with the recently authorized securitization in Case No. 25-0310-E-PC, unless otherwise ordered by the Commission; and (ii) to withdraw their current Notice of Intent and commit that they will not file a base rate case prior to June 1, 2027.

7. The inflation-based rate adjustment is reasonable given the facts and circumstances in these cases, including the recent elimination of certain special purpose annual adjustments, and the benefits of securitizing a large portion of the Companies' assets at a favorable rate of return that does not include a return on equity and does not require income tax on revenue required to pay the securitization.

### **ORDER**

IT IS THEREFORE ORDERED that Case Nos. 24-0289-E-P, 24-0415-E-P, and 24-0322-E-IMM are reopened for the limited purposes addressed in this Order. On the filing of this Order, these three cases shall be closed again and removed from the Commission's open docket of cases.

IT IS FURTHER ORDERED that Appalachian Power Company and Wheeling Power Company provide an accounting of the total Modified Rate Base Cost rate increment revenue billed to customers from September 1, 2021, through August 28, 2025. The Companies shall file this accounting as a closed entry in Case No. 24-0289-E-P within five working days of the date of this Order.

IT IS FURTHER ORDERED that Appalachian Power Company and Wheeling Power Company file an accounting of any over- or under-recovery of the Vegetation Management Program Surcharge deferral and the Broadband Surcharge deferral in their next Expanded Net Energy Cost filing as part of their next ENEC filing.

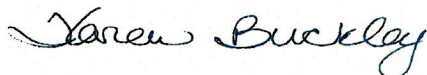
IT IS FURTHER ORDERED that Appalachian Power Company and Wheeling Power Company should prepare the over/under-recovery schedules in the upcoming ENEC filing to clearly show the ENEC over- or under-recovery balance projected to August 31, 2026.

IT IS FURTHER ORDERED that if Appalachian Power Company and Wheeling Power Company agree to (i) proceed with the recently authorized securitization in Case No. 25-0310-E-PC, unless otherwise ordered by the Commission; and (ii) withdraw their current Notice of Intent to file a base rate case and agree that they will not file a base rate case prior to June 1, 2027, then the Commission authorizes an inflation-based rate adjustment of 4.0 percent for residential and commercial base rates and 2.5 percent for industrial base rates excluding Special Contract rates effective June 1, 2026.

IT IS FURTHER ORDERED that if Appalachian Power Company and Wheeling Power Company agree to the conditions for the inflation based rate adjustment, they should file, within five business days of the date of this Order, a proposed tariff reflecting the adjustment, a proposed Notice of Rate Changes and Public Notice, and a statement from an authorized corporate executive indicating that the Companies agree to withdraw the Notice of Intent and that no base rate case will be filed prior to June 1, 2027. The adjusted tariff rates should reflect the 4.0 percent and 2.5 percent inflation-based rate increment added to the current tariff rates but calculated on base rates after including an appropriate increment to reflect the effect of the \$91 million increase authorized in Case No. 24-0854-E-42T.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order by electronic service on all parties of record in the cases specified in the Style of this Order who have filed an e-service agreement, and by United States First Class Mail on all parties of record who have not filed an e-service agreement, and on Commission Staff by hand delivery.

A True Copy, Teste,



Karen Buckley, Executive Secretary

SMS/pkb  
240289cd

# Public Service Commission of West Virginia

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April 16, 2026

**Do not mail Letter - only place in case file.**

*Service via email*

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RE: Case No. 24-0289-E-P  
Appalachian Power Company and Wheeling Power Company

Case No. 24-0415-E-P  
Appalachian Power Company and Wheeling Power Company

Case No. 24-0322-E-IMM  
Appalachian Power Company and Wheeling Power Company

Case No. NOIE APCO and Wheeling 26A

Ladies and Gentlemen:

All parties in this case have provided the Executive Secretary with their email address. The Commission Order issued today was served by email on the above-listed parties.

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If you have provided an email address you will automatically receive notifications as documents are filed in this proceeding. The email notifications allow recipients to view a document within an hour from the time the filing is processed. If you have not provided your email address, please send an email to [caseinfo@psc.state.wv.us](mailto:caseinfo@psc.state.wv.us) and state the case number in the email subject field.

Sincerely,

  
Karen Buckley  
Executive Secretary

KB/al