

FERC FORM 1 SUPPLEMENT

ANNUAL REPORT

OF THE

100
RECEIVED
04/28/16
ARK PUBLIC SERVICE COMM
AUDIT SECTION

NAME SOUTHWESTERN ELECTRIC POWER COMPANY (SWEPCo)

(Here show in full the exact corporate, firm or individual name of the respondent)

LOCATED AT 101 West Township, Fayetteville, Arkansas 72701

(Here give the location, including street and number of the respondent's main business office within the State)

COMPANY # 21

(Here give the APSC-assigned company number)

TO THE

ARKANSAS PUBLIC SERVICE COMMISSION



COVERING ALL OPERATIONS

FOR THE YEAR ENDING DECEMBER 31, 2015

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

In order to satisfy the filing requirements of the Arkansas Public Service Commission, these supplemental schedules will be filed annually with a copy of the Federal Energy Regulatory Commission Form 1. One complete copy will be filed with each, the Utilities Division and the Tax Division of the Arkansas Public Service Commission on or before March 31 immediately following the year being reported.

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

LETTER OF TRANSMITTAL

To: Arkansas Public Service Commission
Post Office Box 400
Little Rock, Arkansas 72203-0400

Submitted herewith is the annual report covering the operation of Southwestern Electric Power Company
(Company)
of Fayetteville, Arkansas
(Location) for the year ending December 31, 2015. This report is submitted in
accordance with Section 51 of Act 324 of the 1935 Acts of Arkansas.
The following report has been carefully examined by me, and I have executed the verification given below.

Monica R. Parker
(Signature)

Director, Regulated Accounting
(Title)

VERIFICATION

STATE OF)
) ss.
COUNTY OF)

I, the undersigned, Monica R. Parker, Director, Regulated Accounting of the
(Company) (Name and Title)

been prepared under my direction from the original books, papers, and records of said utility: that I have
carefully examined the same, and declare the same a complete and correct statement of the business
and affairs of said utility in respect to each and every matter and thing set forth, to the best of my
knowledge, information, and belief; and I further say that no deductions were made before stating the
gross revenues, and that accounts and figures contained in the foregoing statements embrace all of the
financial transactions for the period in this report.

Monica R. Parker
(Signature)

Subscribed and sworn to before me this 21st
day of April 2016
My Commission Expires August 11, 2017



Kimberly Thierry
(Signature of Notary)

GENERAL INSTRUCTIONS, DEFINITIONS, ETC.

1. Two (2) copies of this report, properly filled out and verified shall be filed with the Utility Division of the Arkansas Public Service Commission, Little Rock, Arkansas, on or before the 31st day of March following the close of the calendar year for which the report is made.
2. This form of annual report is prepared in conformity with the Uniform System of Accounts for Public Utilities prescribed by the Public Service Commission and all accounting words and phrases are to be interpreted in accordance with the said classification.
3. The word "respondent" in the following inquiries means the person, firm, association or company in whose behalf the report is made.
4. Instructions should be carefully observed, and each question should be answered fully and accurately. Where the word "none" truly and completely states the fact, it should be given to any particular inquiry.
5. If any schedule does not apply to the respondent, such fact should be shown on the schedule by the words "not applicable."
6. Except in cases where they are especially authorized, cancellations, arbitrary check marks, and the like must not be used either as partial or entire answers to inquiries.
7. Reports should be made out by means which result in a permanent record. The copy in all cases shall be made out in permanent black ink or with permanent black typewriter ribbon. Entries of a contrary or opposite character (such as decreases reported in a column providing for both increases and decreases) should be shown in red ink or enclosed in parentheses.
8. This report will be scanned in. Please bind with clips only.
9. Answers to inquiries contained in the following forms must be complete. No answer will be accepted as satisfactory which attempts by reference to any paper, document, or return of previous years or other reports, other than the present report, to make the paper or document or portion thereof thus referred to a part of the answer without setting it out. Each report must be complete within itself.
10. In cases where the schedules provided in this report do not contain sufficient space or the information called for, or if it is otherwise necessary or desirable, additional statements or schedules may be inserted for the purpose of further explanation of accounts or schedules. They should be legibly made on paper of durable quality and should conform with this form in size of page and width of margin. This also applies to all special or unusual entries not provided for in this form. Where information called for herein is not given, state fully the reason for its omission.
11. Each respondent is required to send in connection with its report to this Commission's Utilities Division, one (1) copy of its latest annual report to stockholders.
12. Schedules supporting the revenue accounts and furnishing statistics should be so arranged as to effect a division in the operations as to those inside and outside the state.
13. Answers to all inquiries may be in even dollar figures, with cents omitted and with agreeing totals.
14. Each respondent should make its report in duplicate, retaining one copy for its files for reference, in case correspondence with regard to such report becomes necessary. For this reason, several copies of the accompanying forms are sent to each utility company concerned.

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

Give the name, title, office address, telephone number and e-mail address of the person to whom any correspondence concerning this report should be addressed:

Name Andy Murphree Title Manager Regulated Accounting

Address P.O. Box 201, Tulsa, Oklahoma 74102-0201

Telephone Number 918-599-2088

E-Mail almurphree@aep.com

Give the name, address, telephone number and e-mail address of the resident agent:

Name R.T. Hopwood Telephone Number 479-973-2500

Address 101 West Township, Fayetteville, Arkansas 72703-2823

E-Mail rthopwood@aep.com

IDENTITY OF RESPONDENT

1. Give the exact name by which respondent was known in law at the close of the year. Use the initial word "The" only when it is part of the name:

SOUTHWESTERN ELECTRIC POWER COMPANY (SWEPCo)

2. Give the location (including street and number) of (a) the main Arkansas business office of respondent at the close of the year, and (b) if respondent is a foreign corporation, the main business office if not in this state:

(a) 101 West Township
Fayetteville, Arkansas 72701

(b) 428 Travis Street
Shreveport, Louisiana 71156-0001

3. Indicate by an x in the proper space (a) the type of service rendered, and (b) the type of organization under which respondent was operating at the end of the year.

(a) Electric, Gas, Water, Telephone, Other

(b) Proprietorship, Partnership, Joint Stock Association,
 Corporation, Other (describe below):

4. If respondent is not a corporation, give (a) date of organization, and (b) name of the proprietor or the names of all partners, and the extent of their respective interest at the close of the year.

(a) NA

(b)

5. If a corporation, indicate (a) in which state respondent is incorporated, (b) date of incorporation, and (c) designation of the general law under which respondent was incorporated, or, if under special charter, the date of passage of the act:

(a) State of Delaware

(b) June 29, 1912

(c) As act providing a general corporation law approved March 10, 1899

6. State whether or not respondent during the year conducted any part of its business within the State of Arkansas under a name or names other than that shown in response to inquiry No. 1 above, and, if so, give full particulars:

Respondent conducted business only under name shown in inquiry No. 1 above.

7. State whether respondent is a consolidated or merged company. If so, (a) give date and authority for each consolidation or merger, (b) name all constituent and merged companies, and (c) give like particulars as required of the respondent in inquiry No. 5 above:

(a) Respondent is not a consolidated or merged company

(b)

(c)

8. State whether respondent is a reorganized company. If so, give (a) name of original corporation, (b) date of reorganization, (c) reference to the laws under which it was reorganized and (d) state the occasion of the reorganization, whether because of foreclosure of mortgage or otherwise, giving full particulars.

(a) Respondent is not a reorganized company.

(b)

(c)

(d)

9. Was respondent subject to a receivership or other trust at any time during the year? No _____
If so, state:

(a) Name of receiver or trustee: _____

(b) Name of beneficiary or beneficiaries for whom trust was maintained:

(c) Purpose of the trust: _____

(d) Give (1) date of creation of receivership or other trust, and (2) date of acquisition of respondent: (1) _____ (2) _____

10. Did the respondent act in any of the capacities listed in Paragraph (a) below during the past year? Yes _____ If so,

(a) Indicate the applicable one by an X in the proper space:

(X) Guarantor, () Surety, () Principal--obligor to a surety contract,
() Principal--obligor to a guaranty contract.

(b) Insert a statement showing the character, extent, and terms of the primary agreement or obligation, including (1) names of all parties involved, (2) extent of liability of respondent, whether contingent or actual, (3) extent of liabilities of the other parties, whether contingent or actual, and (4) security taken or offered by respondent.

As part of the process to receive a renewal of a Texas Railroad Commission permit for lignite mining, SWEPCo provides guarantees of mine reclamation of \$115 million. Since SWEPCo uses self-bonding, the guarantee provides for SWEPCo to commit to use its resources to complete the reclamation in the event the work is not completed by Sabine Mining Company (Sabine). This guarantee ends upon depletion of reserves and completion of final reclamation. Based on the latest study completed in 2010, it is estimated the reserves will be depleted in 2036 with final reclamation completed by 2046 at an estimated cost of approximately \$58 million. Actual reclamation costs could vary due to period inflation and any changes to actual mine reclamation. As of December 31, 2015, SWEPCo has collected approximately \$65 million through a rider for final mine closure and reclamation costs.

Sabine charges SWEPCo, its only customer, all of its costs. SWEPCo passes these costs to customers through its fuel clause.

DIRECTORS AND COMPENSATION

Give the name and office addresses of all directors at the close of the year, and dates of beginning and expiration of terms. Chairman (*) and Secretary (**) marked by asterisks.

Item No.	Name of Director	Office Address	Date of Term		Compensation
			Beginning	End	
	Nicholas K. Akins*	1 Riverside Plaza	4/1/15	4/1/16	\$0
	Lisa M. Barton	Columbus, Ohio	4/1/15	4/1/16	\$0
	David M. Feinberg**		4/1/15	4/1/16	\$0
	Lana L. Hillebrand		4/1/15	4/1/16	\$0
	Mark C. McCullough		4/1/15	4/1/16	\$0
	Robert P. Powers		4/1/15	4/1/16	\$0
	Brian X. Tierney		4/1/15	4/1/16	\$0
	Dennis E. Welch		4/1/15	4/1/16	\$0

PRINCIPAL OFFICERS AND KEY MANAGEMENT PERSONNEL

Give the title of the principal officers, managers and key personnel, the names and office addresses of persons holding such positions at the close of the year, and the annual salary of each.

Item No.	Title	Name of person holding office at close of year	Office Address	Annual Salary
	Chairman of the Board, and Chief Executive Officer	Nicholas K. Akins	Columbus, Ohio	\$1,279,900
	Vice President and Chief Financial Officer	Brian X. Tierney	Columbus, Ohio	\$709,246
	Vice President	Robert P. Powers	Columbus, Ohio	\$709,246
	Secretary	David M. Feinberg	Columbus, Ohio	\$591,426
	Vice President	Charles E. Zebula	Columbus, Ohio	\$446,310
	TOTAL			\$ 3,736,128

ELECTRIC OPERATING REVENUES (Account 400) - ARKANSAS ONLY

1. Report below operating revenue for each prescribed account, and manufactured gas revenues in total.
 2. Report number of customers, columns (g) and (h), on the basis of meters, in addition to the number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
 3. If previous year (columns (d), (f), and (h)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
 4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
 5. Include unmetered sales. Provide details of such sales in a footnote.
 6. This Commission requires a reporting by Kwh rather than Mwh.

Line No.	Acct. No.	Title of Account	OPERATING REVENUES		KILOWATT HOURS SOLD		AVG. NO. OF CUSTOMERS PER MONTH	
			Amount for Year (c)	Amount for Previous Year (d)	Amount for Year (e)	Amount for Previous Year (f)	Number for Year (g)	Number for Previous Year (h)
1		Sales of Electricity						
2	440	Residential Sales	96,677,710	100,733,551	1,110,909,010	1,121,435,947	97,877	97,253
3	442	Commercial & Industrial Sales						
4		Small (or Commercial) (See Instr. 4)	94,691,742	99,119,829	1,352,971,844	1,342,728,103	17,447	17,355
5		Large (or Industrial) (See Instr. 4)	79,633,293	91,544,363	1,441,797,019	1,543,046,626	601	607
6	444	Public Street & Highway Lighting	1,786,607	1,836,361	11,606,001	11,628,371	199	199
7	445	Other Sales to Public Authorities						
8	446	Sales to Railroads and Railways						
9	448	Interdepartmental Sales						
10		TOTAL Sales to Ultimate Consumers	272,789,352	293,234,104	3,917,283,874	4,018,839,047	116,124	115,414
11	447	Sales for Resale	81,982,250	102,518,748	1,924,734,623	2,409,519,133	3	3
12		TOTAL Sales of Electricity	354,771,602	395,752,852	5,842,018,497	6,428,358,180	116,127	115,417
13	449.1	(Less) Provision for Rate Refund	11,561,867	2,382,946				
14		TOTAL Rev. Net of Prov. for Refunds	366,333,469	398,135,798	5,842,018,497	6,428,358,180	116,127	115,417
15		Other Operating Revenues						
16	450	Forfeited Discounts	1,350,339	1,379,364	Gross Assessable Revenues			
17	451	Miscellaneous Service Revenues	496,810	481,229				
18	453	Sales of Water and Water Power			Line 28 Total From this Schedule			
19	454	Rent from Electric Property	1,364,854	1,478,984				
20	455	Interdepartmental Rents						
21	456	Other Electric Revenues	18,432,224	18,168,275	Add Back Line 13 Amt. (Acct. 449.1, Provision For Rate Refunds)			
22								
23								
24								
25								
26								
27		Total Other Operating Revenues	21,644,227	21,507,852	Less: Credit For Rate Refunds Paid This Reporting Year			
28		Total Electric Operating Revenues	387,977,696	419,643,650	Less: Sales For Resale			
					Total Gross Assessable Revenues			

387,977,696

(11,561,867)

(81,982,250)

294,433,579

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

YEAR 2015

FOOTNOTES

Line 4 - Supp. E - 1 - Basis for classification of Commercial Sales-

Commercial Sales include service to customers engaged in selling, warehousing, distributing commodities, rendering professional service, performing social services, bank buildings, office buildings, hospitals and similar kinds of establishments.

Line 5 - Supp. E - 1 - Basis for classification of Industrial Sales-

Industrial Sales include service to customers engaged in manufacturing or processing work.

UTILITY PLANT - SYSTEM	Beginning Balance	Additions	Retirements (Cr)	Adjustments	Balance at end of Year
Plant in Service (Classified)	7,367,083,600	273,103,789	(85,382,843)	6,131,804	7,560,936,350
Property Under Capital Leases	32,513,334	(2,186,283)	(314,790)	80,364	30,092,625
Plant Purchased or Sold	-	-			-
Experimental Plant Unclassified	-	-			-
Plant Leased to Others	-	-			-
Plant Held for Future Use	1,360,565	220,915			1,581,480
Completed Construction not Classified	275,661,234	30,211,891			305,873,125
Construction Work in Progress	471,689,556	273,027,231			744,716,787
Plant Acquisition Adjustments	18,043,976				18,043,976
Sub-Total	8,166,352,265	574,377,543	(85,697,633)	6,212,168	8,661,244,343
Other Plant Adjustments					-
Other Utility Plant (itemize)					-
Nuclear Fuel (in Process of Refinement, etc.)					-
TOTAL	8,166,352,265	574,377,543	(85,697,633)	6,212,168	8,661,244,343
UTILITY PLANT - ARKANSAS	Beginning Balance	Additions	Retirements (Cr)	Adjustments	Balance at end of Year
Plant in Service (Classified)	2,668,697,195	77,298,823	(8,107,661)	361,649	2,738,250,006
Property Under Capital Leases	18,804,328	(1,707,577)	(43,903)	(2,788)	17,050,060
Plant Purchased or Sold	-	-			-
Experimental Plant Unclassified	-	-			-
Plant Leased to Others	-	-			-
Plant Held for Future Use	148,659	-			148,659
Completed Construction not Classified	100,056,663	(38,787,940)			61,268,723
Construction Work in Progress	134,058,574	80,920,435			214,979,009
Plant Acquisition Adjustments	-				-
Sub-Total	2,921,765,419	117,723,741	(8,151,564)	358,861	3,031,696,457
Other Plant Adjustments					-
Other Utility Plant (itemize)					-
Nuclear Fuel (in Process of Refinement, etc.)					-
TOTAL	2,921,765,419	117,723,741	(8,151,564)	358,861	3,031,696,457

DAILY PEAK LOAD CURVES

1. Show total net 60 minute peak demand of Intrastate Energy.
2. If 60 minute peak is not available, give that which is available, specifying period.
3. Include total net power demand including that generated and purchased.

Hour	Arkansas Load			
	Maximum	Minimum	Avg. Max.	Avg. Min.
1	673	371	723	371
2	644	356	690	356
3	624	348	675	348
4	619	346	673	346
5	612	346	681	346
6	639	350	684	350
7	672	362	732	362
8	728	370	794	370
9	769	383	810	383
10	825	394	848	394
11	903	420	907	408
12	956	436	962	407
13	1007	443	1011	408
14	1032	448	1038	389
15	1102	443	1102	386
16	1094	438	1094	374
17	1092	442	1092	373
18	1025	444	1039	369
19	1005	484	1013	399
20	973	480	973	412
21	933	466	940	416
22	906	442	906	401
23	840	427	840	404
24	766	425	772	383