



3rd Quarter 2023 Earnings Release Presentation

November 2, 2023



“Safe Harbor” Statement Under the Private Securities Litigation Reform Act of 1995

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Among the factors that could cause actual results to differ materially from those in the forward-looking statements are: changes in economic conditions, electric market demand and demographic patterns in AEP service territories, the impact of pandemics and any associated disruption of AEP’s business operations due to impacts on economic or market conditions, costs of compliance with potential government regulations, electricity usage, supply chain issues, customers, service providers, vendors and suppliers, the economic impact of increased global trade tensions including the conflicts in Ukraine and the Middle East, and the adoption or expansion of economic sanctions or trade restrictions, inflationary or deflationary interest rate trends, volatility and disruptions in the financial markets precipitated by any cause including failure to make progress on federal budget or debt ceiling matters or instability in the banking industry, particularly developments affecting the availability or cost of capital to finance new capital projects and refinance existing debt, the availability and cost of funds to finance working capital and capital needs, particularly (i) if expected sources of capital, such as proceeds from the sale of assets, subsidiaries or tax credits, do not materialize, and (ii) during periods when the time lag between incurring costs and recovery is long and the costs are material, decreased demand for electricity, weather conditions, including storms and drought conditions, and the ability to recover significant storm restoration costs, limitations or restrictions on the amounts and types of insurance available to cover losses that might arise in connection with natural disasters or operations, the cost of fuel and its transportation, the creditworthiness and performance of fuel suppliers and transporters and the cost of storing and disposing of used fuel, including coal ash and spent nuclear fuel, the availability of fuel and necessary generation capacity and performance of generation plants, the ability to recover fuel and other energy costs through regulated or competitive electric rates, the ability to transition from fossil generation and the ability to build or acquire renewable generation, transmission lines and facilities (including the ability to obtain any necessary regulatory approvals and permits) when needed at acceptable prices and terms, including favorable tax treatment, meet cost caps imposed by regulators and other operational commitments to regulatory commissions and customers for renewable generation projects, and to recover all related costs, new legislation, litigation or government regulation, including changes to tax laws and regulations, oversight of nuclear generation, energy commodity trading and new or heightened requirements for reduced emissions of sulfur, nitrogen, mercury, carbon, soot or particulate matter and other substances that could impact the continued operation, cost recovery and/or profitability of generation plants and related assets, the impact of federal tax legislation on results of operations, financial condition, cash flows or credit ratings, the risks before, during and after generation of electricity associated with the fuels used or the byproducts and wastes of such fuels, including coal ash and spent nuclear fuel, timing and resolution of pending and future rate cases, negotiations and other regulatory decisions, including rate or other recovery of new investments in generation, distribution and transmission service and environmental compliance, resolution of litigation or regulatory proceedings or investigation, the ability to constrain operation and maintenance costs, prices and demand for power generated and sold at wholesale, changes in technology, particularly with respect to energy storage and new, developing, alternative or distributed sources of generation, the ability to recover through rates any remaining unrecovered investment in generation units that may be retired before the end of their previously projected useful lives, volatility and changes in markets for coal and other energy-related commodities, particularly changes in the price of natural gas, the impact of changing expectations and demands of customers, regulators, investors and stakeholders, including heightened emphasis on environmental, social and governance concerns, changes in utility regulation and the allocation of costs within regional transmission organizations, including ERCOT, PJM and SPP, changes in the creditworthiness of the counterparties with contractual arrangements, including participants in the energy trading market, actions of rating agencies, including changes in the ratings of debt, the impact of volatility in the capital markets on the value of the investments held by the pension, other postretirement benefit plans, captive insurance entity and nuclear decommissioning trust and the impact of such volatility on future funding requirements, accounting standards periodically issued by accounting standard-setting bodies, and other risks and unforeseen events, including wars and military conflicts, the effects of terrorism (including increased security costs), embargoes, wildfires, cyber security threats and other catastrophic events, the ability to attract and retain requisite work force and key personnel.



Non-GAAP Financial Measures

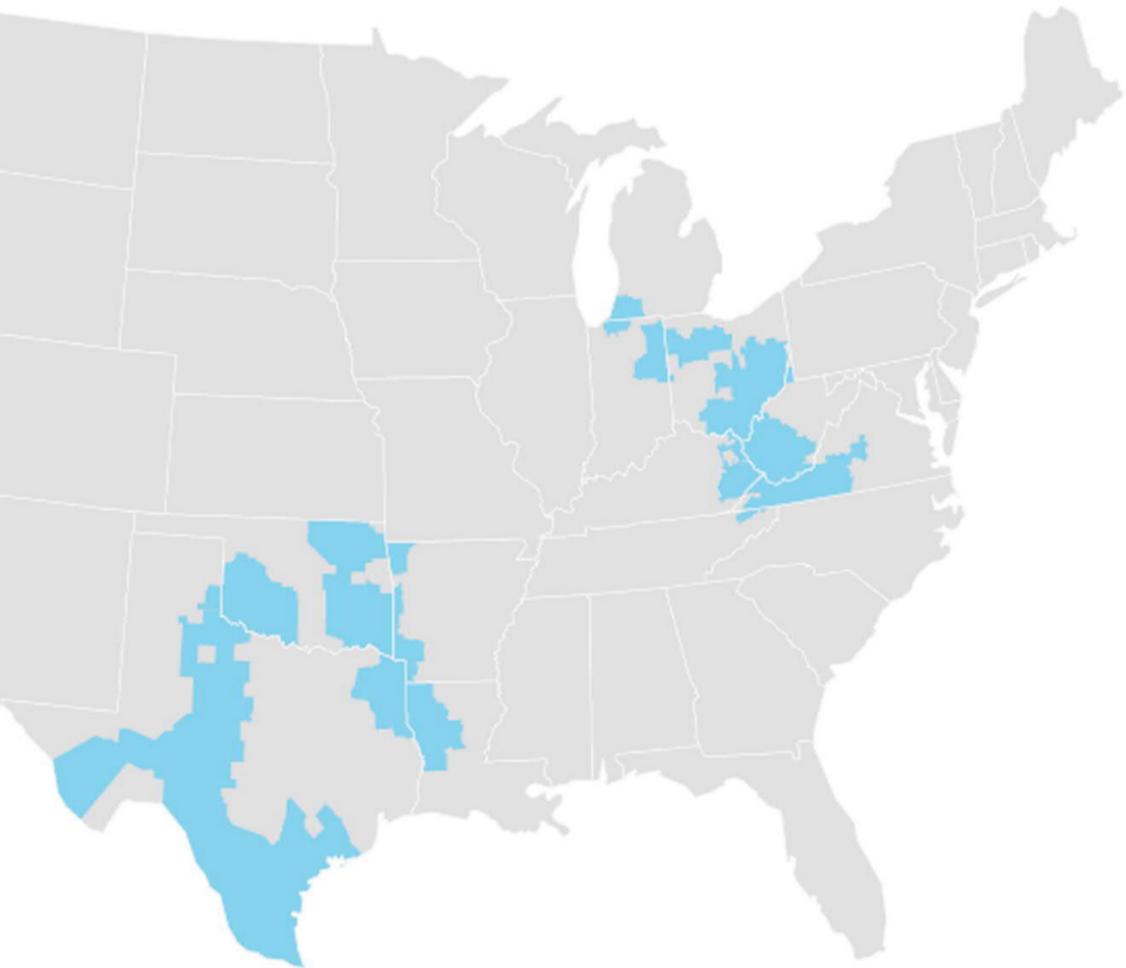
AEP reports its financial results in accordance with accounting principles generally accepted in the United States (GAAP). AEP supplements the reporting of financial information determined in accordance with GAAP with certain non-GAAP financial measures, including operating earnings (non-GAAP) and FFO to Total Debt. Operating earnings (non-GAAP) excludes certain gains and losses and other specified items, including mark-to-market adjustments from commodity hedging activities and other items as set forth in the reconciliation in the Appendix. FFO to Total Debt is adjusted for the effects of securitization, spent nuclear fuel trust, capital and operating leases, pension, capitalized interest and changes in working capital. Operating earnings could differ from GAAP earnings for matters such as impairments, divestitures, or changes in accounting principles. AEP management is not able to forecast if any of these items will occur or any amounts that may be reported for future periods. Therefore, AEP is not able to provide a corresponding GAAP equivalent for earnings guidance. Reflecting special items recorded through the third quarter of 2023, the estimated earnings per share on a GAAP basis would be \$4.84 to \$4.94 per share.

This information is intended to enhance an investor's overall understanding of period over period financial results and provide an indication of AEP's baseline operating performance by excluding items that are considered by management to be not directly related to the ongoing operations of the business. In addition, this information is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets and planning and forecasting of future periods.

These non-GAAP financial measures are not a presentation defined under GAAP and may not be comparable to other companies' presentations. AEP has provided these non-GAAP financial measures as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. These non-GAAP measures should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP measures provided in the materials presented. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are provided in the appendices and supplemental schedules to this presentation.



AEP Is a Pure Play Regulated Utility



40K

TRANSMISSION MILES

Nation's largest electric transmission system

225K

DISTRIBUTION MILES

One of the largest distribution systems in the U.S.

23GW

OWNED GENERATION

Diverse generation fleet
As of September 30, 2023

\$95B

TOTAL ASSETS

As of September 30, 2023

\$62B

RATE BASE

Strong rate base growth

\$39B

CURRENT MARKET CAPITALIZATION

As of November 1, 2023

17,000

EMPLOYEES

Across the system

5.6M

CUSTOMERS

Throughout 11 states

Statistics are as of December 31, 2022 unless separately disclosed.

AEP Is Powering the Future

One of the Largest Utilities in the U.S. by Rate Base and Market Cap



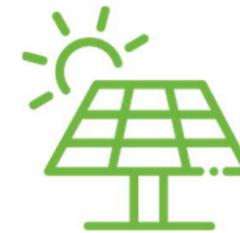
Delivering Consistent, Strong Performance

- Stable, resilient business allows us to keep customer rates affordable
- Commitment to 6%-7% annual operating earnings growth; dividend growth is in line with earnings
- 10%-11% consistent total shareholder return
- Strong balance sheet with a targeted FFO/Debt of 14%-15%
- Narrowed 2023 operating earnings guidance range to \$5.24 – \$5.34; maintained \$5.29 midpoint



Operating Attractive Transmission and Distribution Assets

- Largest transmission provider in the U.S.
- One of the largest distribution providers in the U.S.
- Bolstered by organic growth with diversity in geographic footprint and customer base
- Capital forecast of \$40B includes \$15B of transmission investment and \$11B of distribution investment



Leading the Clean Energy Transition

- Proven track record of investing in sustainability and reducing fleet emissions
- Plans to add 17 GW of new resource opportunities between 2023 and 2032
- Goal of net zero by 2045
- Capital forecast includes \$9B of regulated renewable investment



Actively Managing the Business and Portfolio

- Immediate-term focus on de-risking and simplifying business
- Thoughtful and proactive portfolio management and investment to support strategy
- Strong employee base led by experienced leaders with a shared passion for the AEP mission



3rd Quarter 2023 Business Update

Financial highlights and reaffirming stakeholder commitments

- 3rd Quarter 2023 operating earnings of \$1.77 per share or \$924M
- Narrowed 2023 operating earnings guidance range to \$5.24-\$5.34, maintained midpoint of \$5.29
- Reaffirmed 6-7% long-term growth underpinned by a robust and flexible capital plan
- Dividend growth in line with earnings and within targeted payout ratio of 60%-70%
- Targeted FFO/Debt of 14%-15%; plan to be in the targeted range by early 2024

Simplify and de-risk our business profile

- Unregulated contracted renewables sale completed in August 2023
- On track with the announced sales of New Mexico Renewable Development, Retail and Distributed Resources businesses and Prairie Wind and Pioneer non-core transmission joint venture businesses
- Continued strategic review of the Transource Energy joint venture

Active management in a dynamic landscape; customer is at the center of every decision we make

Regulated renewable resource additions

- Positive progress towards the \$8.6B regulated renewables in 2023-2027 capital forecast; approved projects total \$6.0B with \$800M pending commission approval
- Obtained regulatory approvals for 143 MW/\$426M owned renewables at APCo in September 2023 and for 224 MW/\$400M owned renewables at I&M in October 2023

Positive developments on regulatory and legislative initiatives

- Indiana and Michigan – Base cases filed in Q3 2023
- Kentucky – Base case filed in June 2023 and statute allows for interim rates effective January 2024; securitization legislation passed in 2023
- Ohio – ESP V settlement reached in September 2023 and order expected in Q1 2024
- Oklahoma – Base case settlement reached in May 2023 and order expected in Q4 2023
- Texas – Legislation passed in 2023 allowing the company to file the Distribution Cost Recovery Factor twice a year
- Virginia – 2020 to 2022 triennial review settlement reached in August 2023 and order expected in Q4 2023; biennial legislation passed in 2023
- West Virginia – Fuel cost management with an order expected in Q4 2023; securitization legislation passed in 2023



Unregulated Contracted Renewables Sale Completed

Transaction Description

- On 2/22/2023, AEP signed an agreement to sell 100% of equity of 1,365 MW unregulated contracted renewable assets containing 14 large-scale projects

Buyer

- IRG Acquisition Holdings, consortium owned by Invenergy (20%), CDPQ (40%) and funds managed by Blackstone Infrastructure (40%)

Purchase Price

- \$1.5B enterprise value / \$1.3B equity value

Financial Impact

- The sale resulted in an after-tax GAAP loss of \$91M realized primarily in Q1 2023

Use of Proceeds

- \$1.2B cash proceeds after tax and transaction costs
- Proceeds directed to support regulated businesses and balance sheet management

Timing

- The sale was completed in August 2023



Other Asset Sales and Strategic Review

Sell New Mexico Renewable Development (NMRD), a joint venture solar portfolio

- A 50/50 joint venture partnership with PNM Resources consisting of 9 operating projects of 185 MW and 6 development projects of 440 MW, all located in New Mexico
- Book value of AEP's investment as of 9/30/2023 was \$119M
- Assets contribute \$0.01 EPS in 2023 operating earnings guidance
- Advisor hired; sale launched in June 2023 and expected sale agreement to be announced in Q4 2023 with transaction close in December 2023 or early 2024

Sell Retail and Distributed Resources businesses (not including NMRD)

- Book value of AEP's investment as of 9/30/2023: \$244M Retail and \$353M Distributed Resources
- Asset EPS contributions in 2023 operating guidance: \$0.04 Retail and \$0.02 Distributed Resources
- Advisor hired; sale launched in August 2023 and expected sale agreement to be announced in Q1 2024 with transaction close in the first half of 2024

Sell Prairie Wind and Pioneer non-core transmission joint ventures

- Sell Prairie Wind Transmission and Pioneer Transmission
- As of 9/30/2023, AEP's portion of PP&E was \$123M and rate base was \$107M
- Assets contribute \$0.02 EPS in 2023 operating earnings guidance
- Advisor hired, expect to launch the sale process Q4 2023 with transaction close in 2024

Continue strategic review of Transource non-core transmission joint venture

- Complete strategic review of Transource Energy by end of 2023
- As of 9/30/2023, AEP's portion of PP&E was \$433M and rate base was \$348M
- Assets contribute \$0.03 EPS in 2023 operating earnings guidance

De-risk and simplify the business profile through active management



3rd Quarter 2023 Financial Update

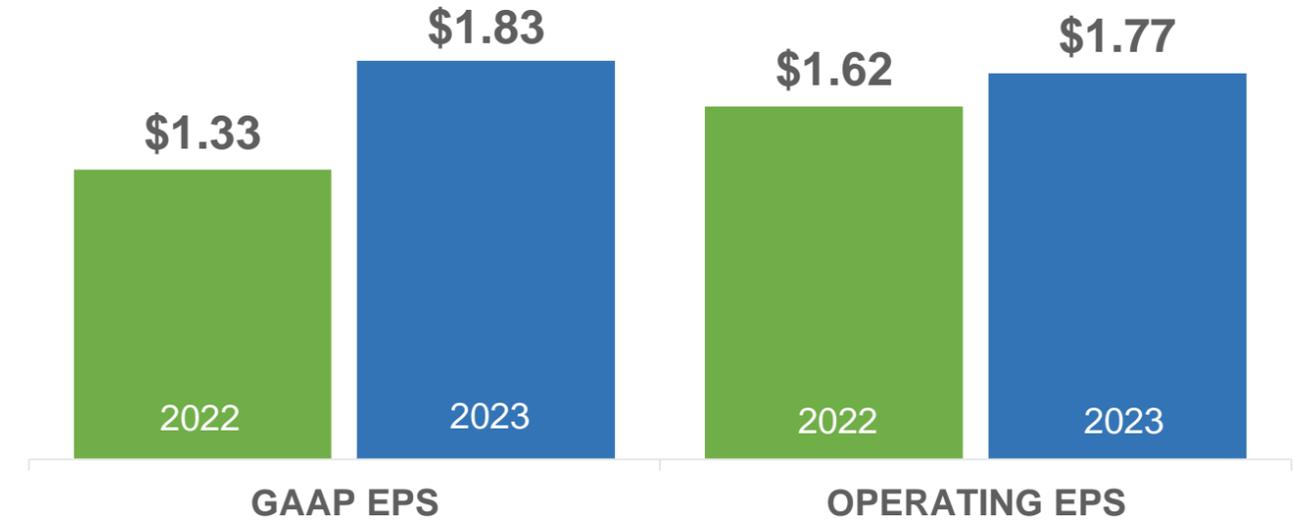
Narrowed 2023 operating earnings guidance range to \$5.24 – \$5.34; maintained \$5.29 midpoint

Quarterly EPS is a stand-alone amount and not always additive to full year amount due to rounding.

Refer to Appendix for reconciliation between GAAP and Operating EPS.

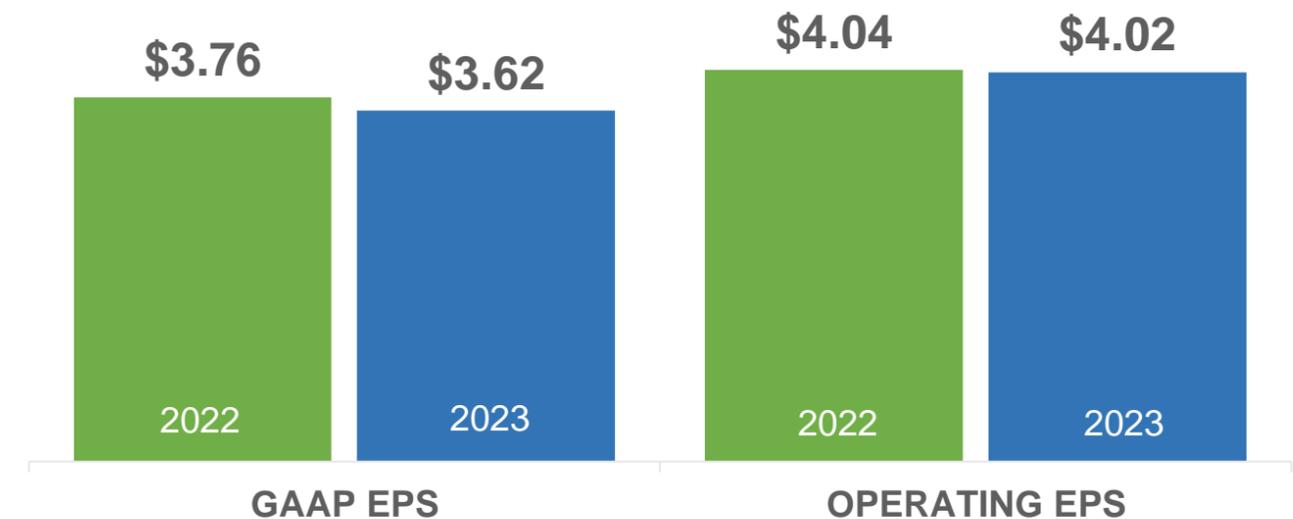
3rd QUARTER 2023

- Delivered GAAP earnings of \$1.83 per share or \$954M for the third quarter of 2023
- Delivered operating earnings of \$1.77 per share or \$924M for the third quarter of 2023



YTD 2023

- Delivered GAAP earnings of \$3.62 per share or \$1.87B for the year
- Delivered operating earnings of \$4.02 per share or \$2.08B for the year





3rd Quarter Operating Earnings Segment Detail



Key Drivers Q3-23 vs. Q3-22

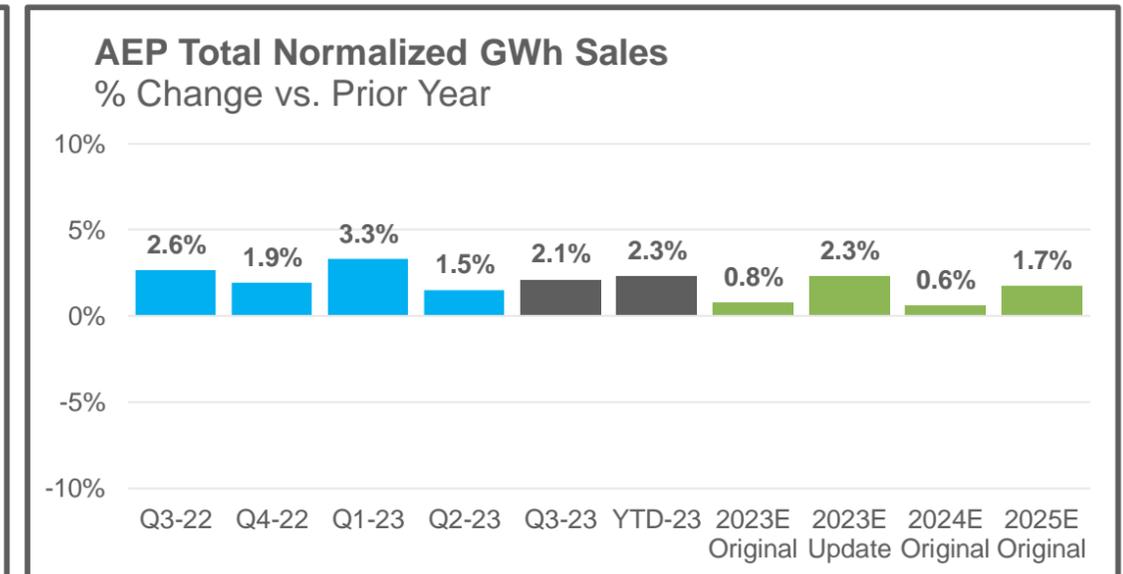
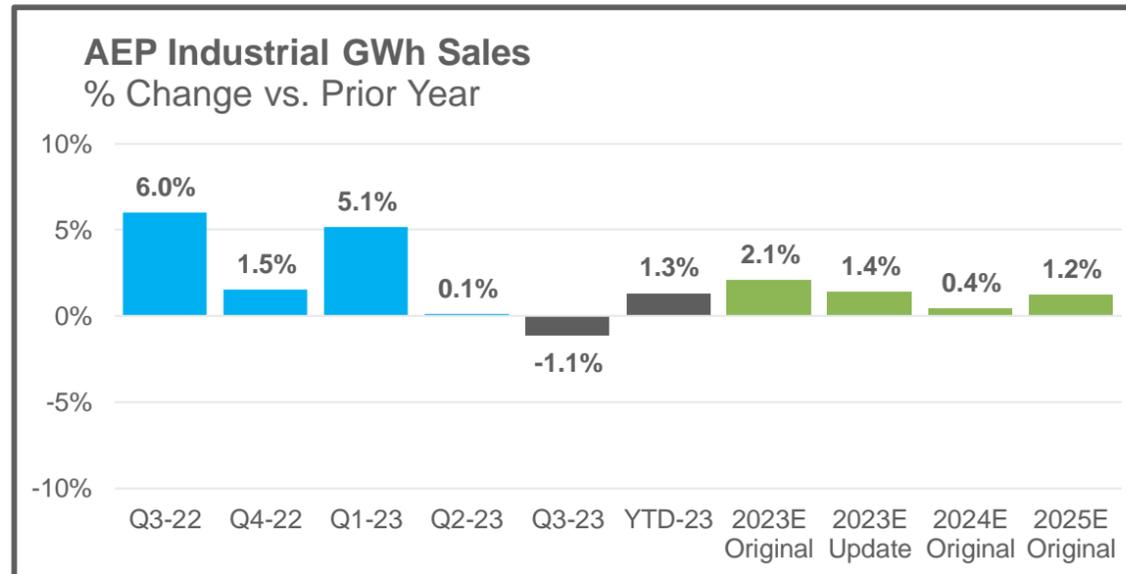
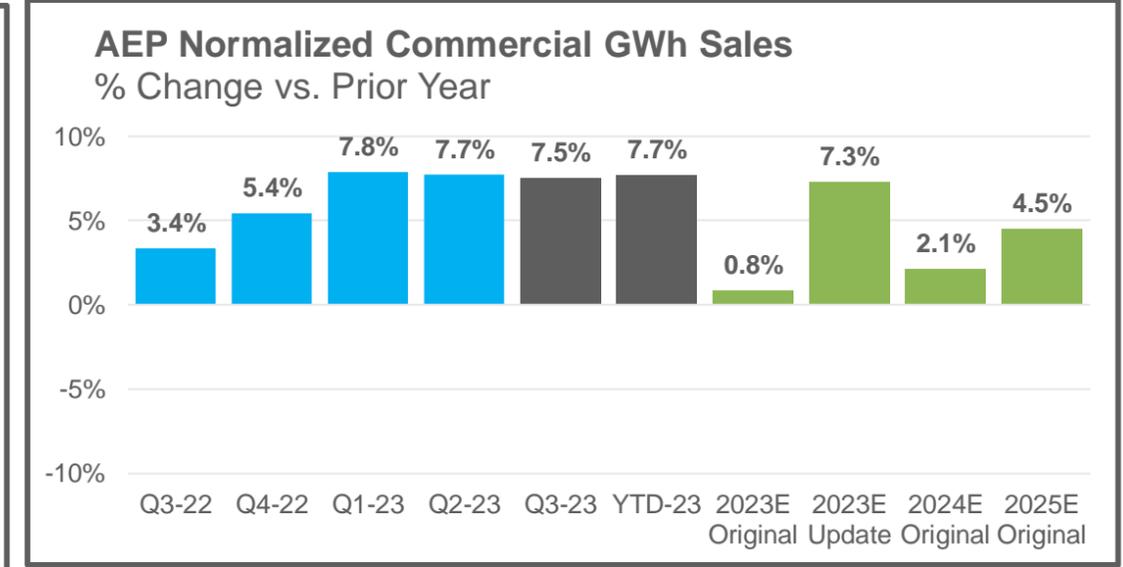
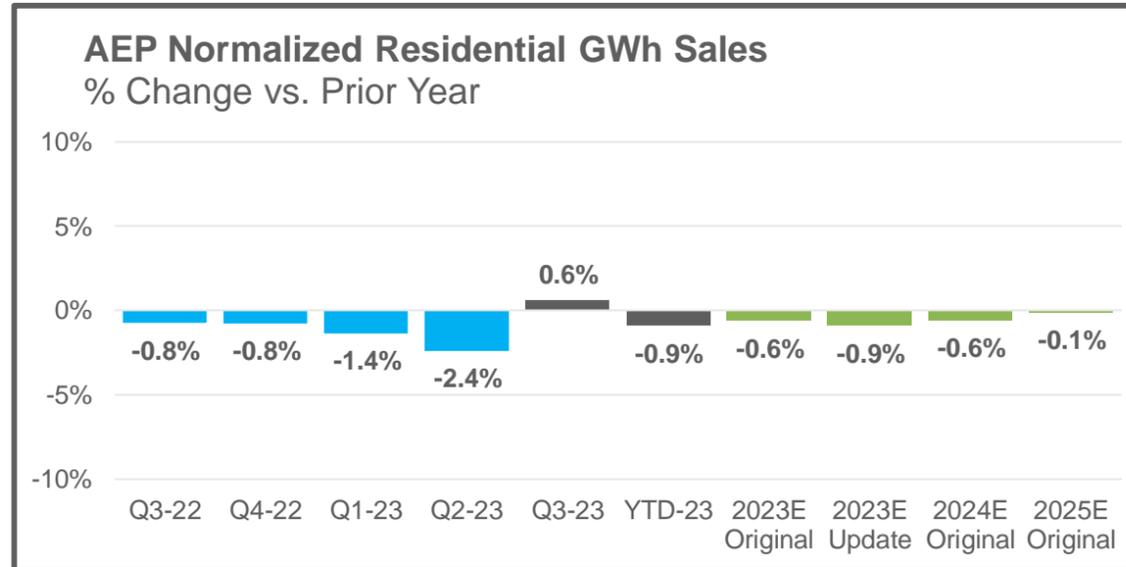
¹ Included \$(0.06) reversal of prior year gain related to the impact of the 2017-2019 APCo Virginia Triennial review remand proceedings.

Refer to Appendix for the related YTD 2023 Operating Earnings Segment Detail.



Weather Normalized Billed Retail Load Trends

Load in AEP's service territory remains strong, benefiting from economic development efforts



Load figures are billed retail sales excluding firm wholesale load.

2023 updated estimates represent 9 months of weather normalized actual results plus 3 months of forecasted values.

The 2024 through 2025 estimates will be updated at EEI in November 2023.



FFO to Total Debt Outlook

AEP expects to be in the FFO/Debt target range by early 2024

FFO to Total Debt (Trailing 12 months as of 9/30/2023)

| | Moody's | GAAP |
|-----------------------|--------------------|--------------------|
| FFO to Total Debt | 11.4% ¹ | 11.4% ¹ |
| Targeted Range | 14.0%-15.0% | |

FFO to Total Debt Path to Target Range

| | Impact on FFO | Basis Points | Projected FFO to Total Debt |
|--|-------------------------|--------------------------|-----------------------------|
| FFO to Total Debt Trailing 12 Months as of 9/30/2023 | | | 11.4%¹ |
| Q4-22: Roll-off of Prior Year Cash Collateral Outflow | \$ 370M | 90 bps | |
| Q4-22: Roll-off of Prior Year Deferred Fuel Outflow | \$170M | 40 bps | |
| Q4-22: Roll-off of Prior Year Foundation Contribution | \$60M | 10 bps | |
| Q4-23: Estimated Deferred Fuel Recovery ² | \$150M – \$200M | 40 bps – 50 bps | |
| Q4 -23: Projected Favorable Drivers to FFO | \$750M – \$800M | 180 bps – 190 bps | 13% - 14% |
| Q1-23: Roll-off of Prior Year Cash Collateral Outflow | \$ 390M | 90 bps | |
| Q1-23: Roll-off of Prior Year Unfavorable Weather ³ | \$ 90M | 20 bps | |
| Early 2024: Projected Favorable Drivers to FFO | \$ 1.2B – \$1.3B | 290 bps – 300 bps | 14% – 15% |

¹ The metric was depressed due to the roll-off of \$687M received from the PSO securitization in September 2022. This was offset by the reduction in debt from the contracted renewables proceeds of \$1.2B and the 2022 equity unit conversion of \$850M (both transactions were completed in August 2023), as well as trailing 12-month collateral and deferred fuel positive impacts.

² Consistent with the third quarter 2023 recovery rates and mechanisms.

³ Reflects the unfavorable first quarter 2023 weather impact versus normal.



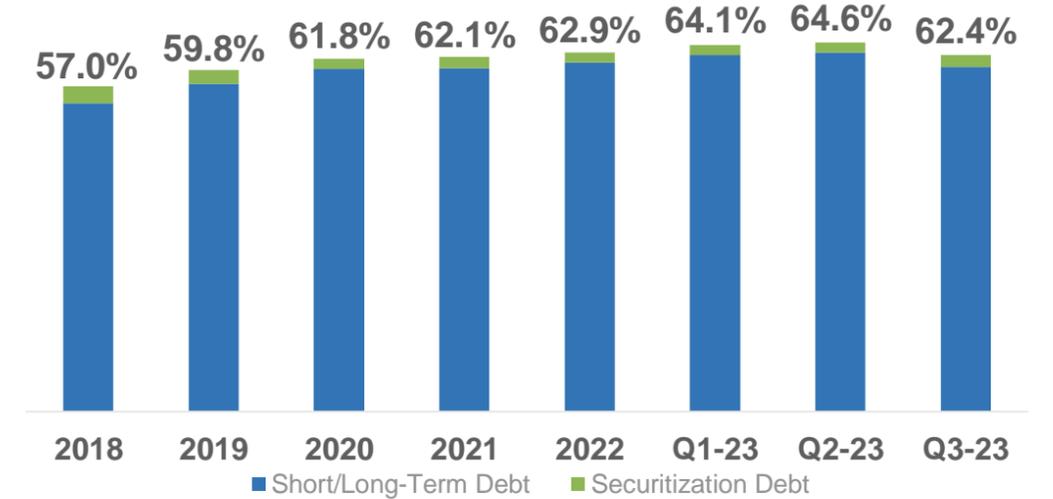
Capitalization and Liquidity

Strong liquidity and pension funding status

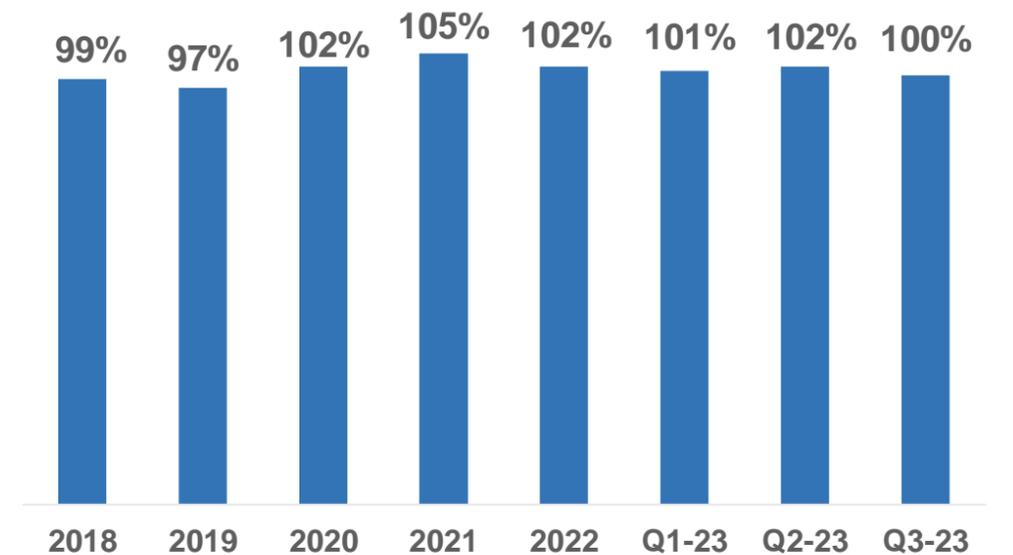
Liquidity Summary

| (\$ in millions) | 9/30/2023 Actual | |
|--------------------------------|------------------|------------|
| | Amount | Maturity |
| Revolving Credit Facility | \$ 4,000 | March 2027 |
| Revolving Credit Facility | 1,000 | March 2025 |
| Plus | | |
| Cash & Cash Equivalents | 353 | |
| Less | | |
| Commercial Paper Outstanding | (1,826) | |
| Net Available Liquidity | \$ 3,527 | |

Total Debt/Total Capitalization



Qualified Pension Funding



Summary of Stakeholder Commitments



**6%-7% Annual
Operating Earnings
Growth**



**ESG Goal of Net
Zero by 2045**



**Dividend Growth In-line with
Earnings Growth and Targeted
Payout Ratio of 60%-70%**



**Customer Care: Commitment to
Identification and Realization of
Efficiencies to Keep Customer Rates
Affordable**



**Strong Balance Sheet
with a Target FFO/Debt
of 14%-15%**



**Active Management of the AEP
Portfolio with the Primary Objective to
De-risk and Simplify Our Business**

See you at EEI in a couple of weeks where we will share the 2024 guidance and other financial details including our 2024-2028 capital plan and the related 5-year cash flows



Appendix

Q3 2023 Performance

3rd Quarter 2023 Earnings Presentation





3rd Quarter Reconciliation of GAAP to Operating Earnings

Weighted average number of shares outstanding: 513.7M Q3-22 and 520.5M Q3-23

¹ Items recorded mainly in the Generation & Marketing segment.

² Items recorded in the Vertically Integrated Utilities segment.

³ Items recorded in the Corporate and Other segment.

| | \$ in millions | | | Earnings Per Share | | |
|--|----------------|--------|--------|--------------------|---------|---------|
| | Q3-22 | Q3-23 | Change | Q3-22 | Q3-23 | Change |
| Reported GAAP Earnings | \$ 684 | \$ 954 | \$ 270 | \$ 1.33 | \$ 1.83 | \$ 0.50 |
| Non-Operating Items: | | | | | | |
| Mark-to-Market Impact of Commodity Hedging Activities ¹ | (31) | (30) | 1 | (0.06) | (0.06) | - |
| Write-off of Flat Ridge 2 ¹ | 2 | - | (2) | - | - | - |
| Write-off of Certain VA Assets ² | 24 | - | (24) | 0.05 | - | (0.05) |
| Unregulated Renewables Sale Costs ³ | 4 | - | (4) | 0.01 | - | (0.01) |
| Mark-to Market Impact of Certain Investments ³ | (2) | - | 2 | - | - | - |
| Kentucky Operations ³ | 150 | - | (150) | 0.29 | - | (0.29) |
| AEP Operating Earnings | \$ 831 | \$ 924 | \$ 93 | \$ 1.62 | \$ 1.77 | \$ 0.15 |



YTD Reconciliation of GAAP to Operating Earnings

Weighted average number of shares outstanding: 511.2M YTD-22 and 516.5M YTD-23

¹ Items recorded mainly in the Generation & Marketing segment.

² Items recorded in the Vertically Integrated Utilities segment.

³ Items recorded in the Corporate and Other segment.

⁴ Items recorded across multiple segments.

| | \$ in millions | | | Earnings Per Share | | |
|--|----------------|----------|---------|--------------------|---------|-----------|
| | YTD-22 | YTD-23 | Change | YTD-22 | YTD-23 | Change |
| Reported GAAP Earnings | \$ 1,923 | \$ 1,872 | \$ (51) | \$ 3.76 | \$ 3.62 | \$ (0.14) |
| Non-Operating Items: | | | | | | |
| Mark-to-Market Impact of Commodity Hedging Activities ¹ | (167) | 173 | 340 | (0.33) | 0.34 | 0.67 |
| Gain on Sale of Mineral Rights ¹ | (92) | - | 92 | (0.18) | - | 0.18 |
| Write-off of Flat Ridge 2 ¹ | 149 | - | (149) | 0.29 | - | (0.29) |
| Unregulated Renewables Sale Costs ¹ | 4 | 91 | 87 | 0.01 | 0.17 | 0.16 |
| Write-off of Certain VA Assets ² | 24 | - | (24) | 0.05 | - | (0.05) |
| Accumulated Deferred Tax Adjustments ³ | (2) | - | 2 | - | - | - |
| Kentucky Operations ³ | 226 | (34) | (260) | 0.44 | (0.06) | (0.50) |
| Change in Texas Legislation ⁴ | - | (24) | (24) | - | (0.05) | (0.05) |
| AEP Operating Earnings | \$ 2,065 | \$ 2,078 | \$ 13 | \$ 4.04 | \$ 4.02 | \$ (0.02) |



Vertically Integrated Utilities 3rd Quarter Performance

RATE PERFORMANCE

| | Rate Changes, net of offsets (\$ in millions) Q3-23 vs. Q3-22 |
|---------------|--|
| APCo/WPCo | \$8 |
| I&M | \$19 |
| KPCo | \$(1) |
| PSO | \$35 |
| SWEPCO | \$14 |
| Kingsport | - |
| Total | \$75 |
| Impact on EPS |  \$0.12 |

WEATHER IMPACT

| | Weather Impact (\$ in millions) | |
|---------------|--|--|
| | Q3-23 vs. Q3-22 | Q3-23 vs. Normal |
| APCo/WPCo | \$(2) | \$2 |
| I&M | \$(8) | \$(6) |
| KPCo | - | - |
| PSO | \$(8) | \$9 |
| SWEPCO | \$5 | \$21 |
| Kingsport | - | - |
| Total | \$(13) | \$26 |
| Impact on EPS |  \$0.02 |  \$0.04 |

RETAIL LOAD PERFORMANCE

| | Retail Load ¹ (weather normalized) Q3-23 vs. Q3-22 |
|----------------------------|--|
| APCo/WPCo | (1.3)% |
| I&M | 1.0% |
| KPCo | (0.9)% |
| PSO | (0.7)% |
| SWEPCO | (1.3)% |
| Kingsport | 3.3% |
| Total | (0.6)% |
| Impact on EPS ² |  \$0.03 |

¹ Includes load on a billed basis only, excludes firm wholesale load and accrued sales.

² Includes EPS impact of accrued revenues.



Vertically Integrated Utilities YTD Performance

RATE PERFORMANCE

| | Rate Changes, net of offsets (\$ in millions) YTD-23 vs. YTD-22 |
|---------------|--|
| APCo/WPCo | \$27 |
| I&M | \$67 |
| KPCo | \$(3) |
| PSO | \$55 |
| SWEPCO | \$34 |
| Kingsport | - |
| Total | \$180 |
| Impact on EPS |  \$0.28 |

WEATHER IMPACT

| | Weather Impact (\$ in millions) | |
|---------------|--|--|
| | YTD-23 vs. YTD-22 | YTD-23 vs. Normal |
| APCo/WPCo | \$(64) | \$(61) |
| I&M | \$(40) | \$(29) |
| KPCo | \$(13) | \$(12) |
| PSO | \$(19) | \$5 |
| SWEPCO | \$(14) | \$19 |
| Kingsport | \$(3) | \$(2) |
| Total | \$(153) | \$(80) |
| Impact on EPS |  \$0.24 |  \$0.12 |

RETAIL LOAD PERFORMANCE

| | Retail Load ¹ (weather normalized) YTD-23 vs. YTD-22 |
|----------------------------|--|
| APCo/WPCo | (1.4)% |
| I&M | 1.2% |
| KPCo | 0.7% |
| PSO | (0.1)% |
| SWEPCO | (0.4)% |
| Kingsport | 7.4% |
| Total | (0.2)% |
| Impact on EPS ² |  \$0.07 |

¹ Includes load on a billed basis only, excludes firm wholesale load and accrued sales.

² Includes EPS impact of accrued revenues.



Transmission and Distribution Utilities 3rd Quarter Performance

RATE PERFORMANCE

| | Rate Changes, net of offsets (\$ in millions) Q3-23 vs. Q3-22 |
|---------------|--|
| AEP Ohio | \$9 |
| AEP Texas | \$9 |
| Total | \$18 |
| Impact on EPS |  \$0.02 |

WEATHER IMPACT

| | Weather Impact (\$ in millions) | |
|---------------|------------------------------------|--|
| | Q3-23 vs. Q3-22 | Q3-23 vs. Normal |
| AEP Ohio | \$(9) | \$(4) |
| AEP Texas | \$10 | \$14 |
| Total | \$1 | \$10 |
| Impact on EPS | - |  \$0.02 |

RETAIL LOAD PERFORMANCE

| | Retail Load ¹ (weather normalized) Q3-23 vs. Q3-22 |
|----------------------------|--|
| AEP Ohio | 3.8% |
| AEP Texas | 6.6% |
| Total | 5.1% |
| Impact on EPS ² |  \$0.04 |

¹ Includes load on a billed basis only, excludes firm wholesale load and accrued sales.

² Includes EPS impact of accrued revenues.



Transmission and Distribution Utilities YTD Performance

RATE PERFORMANCE

| | Rate Changes, net of offsets (\$ in millions) YTD-23 vs. YTD-22 |
|---------------|--|
| AEP Ohio | \$33 |
| AEP Texas | \$17 |
| Total | \$50 |
| Impact on EPS |  \$0.08 |

WEATHER IMPACT

| | Weather Impact (\$ in millions) | |
|---------------|--|--|
| | YTD-23 vs. YTD-22 | YTD-23 vs. Normal |
| AEP Ohio | \$(47) | \$(39) |
| AEP Texas | \$2 | \$20 |
| Total | \$(45) | \$(19) |
| Impact on EPS |  \$0.07 |  \$0.03 |

RETAIL LOAD PERFORMANCE

| | Retail Load ¹ (weather normalized) YTD-23 vs. YTD-22 |
|----------------------------|--|
| AEP Ohio | 2.2% |
| AEP Texas | 9.0% |
| Total | 5.2% |
| Impact on EPS ² |  \$0.01 |

¹ Includes load on a billed basis only, excludes firm wholesale load and accrued sales.

² Includes EPS impact of accrued revenues.



GAAP to Non-GAAP Reconciliations and Ratios

Adjusted FFO Calculation

| | 12 Months Ended 9/30/2023 (in millions) |
|---|--|
| Cash Flow from Operations | \$ 4,231 |
| Adjustments: | |
| Changes in Working Capital | 793 |
| Capitalized Interest | (111) |
| Securitization Amortization | (118) |
| Adjusted Funds from Operations (FFO) | \$ 4,795 |

Adjusted Total Debt (Non-GAAP) Calculation

| | As of 9/30/2023 (in millions) |
|---|----------------------------------|
| GAAP Total Debt (incl. current maturities) | \$ 42,220 |
| Less: | |
| Securitization Bonds | (410) |
| Spent Nuclear Fuel Trust | (296) |
| Junior Subordinated Debentures (25%) | (188) |
| Add: | |
| Finance Lease Obligations | 210 |
| Operating Leases | 632 |
| Adjusted Total Debt (Non-GAAP) | \$ 42,168 |

FFO to Total Debt Ratio = 11.4%

\$4,795M Adjusted FFO / \$42,168M Adjusted Total Debt



Appendix

Portfolio Management

3rd Quarter 2023 Earnings Presentation



Competitive Business Platform



CUSTOMER CLASSES

- Residential
- Commercial
- Industrial
- Municipals
- Cooperatives

DISTRIBUTED RESOURCES *(SALE ANNOUNCED)*



- Solar
- Energy Storage
- Reciprocating Engines
- Fuel Cells
- Substations

RETAIL SERVICES *(SALE ANNOUNCED)*



- Electric Sales
- Natural Gas Sales
- Demand Response Sales
- Sustainability Services

WHOLESALE SERVICES



- Electric Sales
- Renewable PPA Sourcing
- Congestion Management
- RTO Services
- Portfolio Optimization



Transmission Joint Venture Businesses

In 2023 operating earnings guidance, Prairie Wind and Pioneer contribute \$0.02 EPS and Transource contributes \$0.03 EPS

As of 9/30/2023, AEP's portion of rate base for Prairie Wind and Pioneer was \$107M; Transource was \$348M

¹ The Independence Energy Connection transmission project was approved by the Maryland commission and rejected by the Pennsylvania commission; federal litigation is currently pending. The project received the abandonment incentive from FERC.

| Project Name | Location | Owners | AEP's Portion of Net Plant as of 9/30/2023 | AEP's Portion of Rate Base as of 9/30/2023 | Base ROE | RTO Adder | Project Risk ROE | Total Authorized ROE |
|--|-------------------------|--|--|--|----------|-----------|------------------|----------------------|
| ETT | Texas (ERCOT) | BHE (50%), AEP (50%) | \$1,807M | \$1,418M | 9.60% | 0.00% | 0.00% | 9.60% |
| Prairie Wind <i>(Sale Announced)</i> | Kansas | Evergy, Inc. (50%), BHE (25%), AEP (25%) | \$ 32M | \$25M | 10.80% | 0.50% | 1.50% | 12.80% |
| Pioneer Project <i>(Sale Announced)</i> | Indiana | Duke Energy (50%), AEP (50%) | \$ 91M | \$82M | 10.02% | 0.50% | 0.00% | 10.52% |
| Transource-Iatan-Nashua <i>(Under Strategic Review)</i> | Missouri | AEP (86.5%), Evergy, Inc. (13.5%) | \$ 51M | \$40M | 9.80% | 0.50% | 0.00% | 10.30% |
| Transource-Nebraska-Sibley <i>(Under Strategic Review)</i> | Missouri | AEP (86.5%), Evergy, Inc. (13.5%) | \$ 196M | \$154M | 9.80% | 0.50% | 1.00% | 11.30% |
| Transource-WV <i>(Under Strategic Review)</i> | West Virginia | AEP (86.5%), Evergy, Inc. (13.5%) | \$ 70M | \$64M | 10.00% | 0.50% | 0.00% | 10.50% |
| Transource-Sooner-Wekiwa <i>(Under Strategic Review)</i> | Oklahoma | AEP (86.5%), Evergy, Inc. (13.5%) | \$ 24M | - | 9.80% | 0.50% | NA | 10.30% |
| Transource-PA & MD ¹ <i>(Under Strategic Review)</i> | Pennsylvania & Maryland | AEP (86.5%), Evergy, Inc. (13.5%) | \$ 92M | \$90M | 9.90% | 0.50% | 0.00% | 10.40% |



Appendix

Financial Forecast and Focus on O&M Efficiency

3rd Quarter 2023 Earnings Presentation





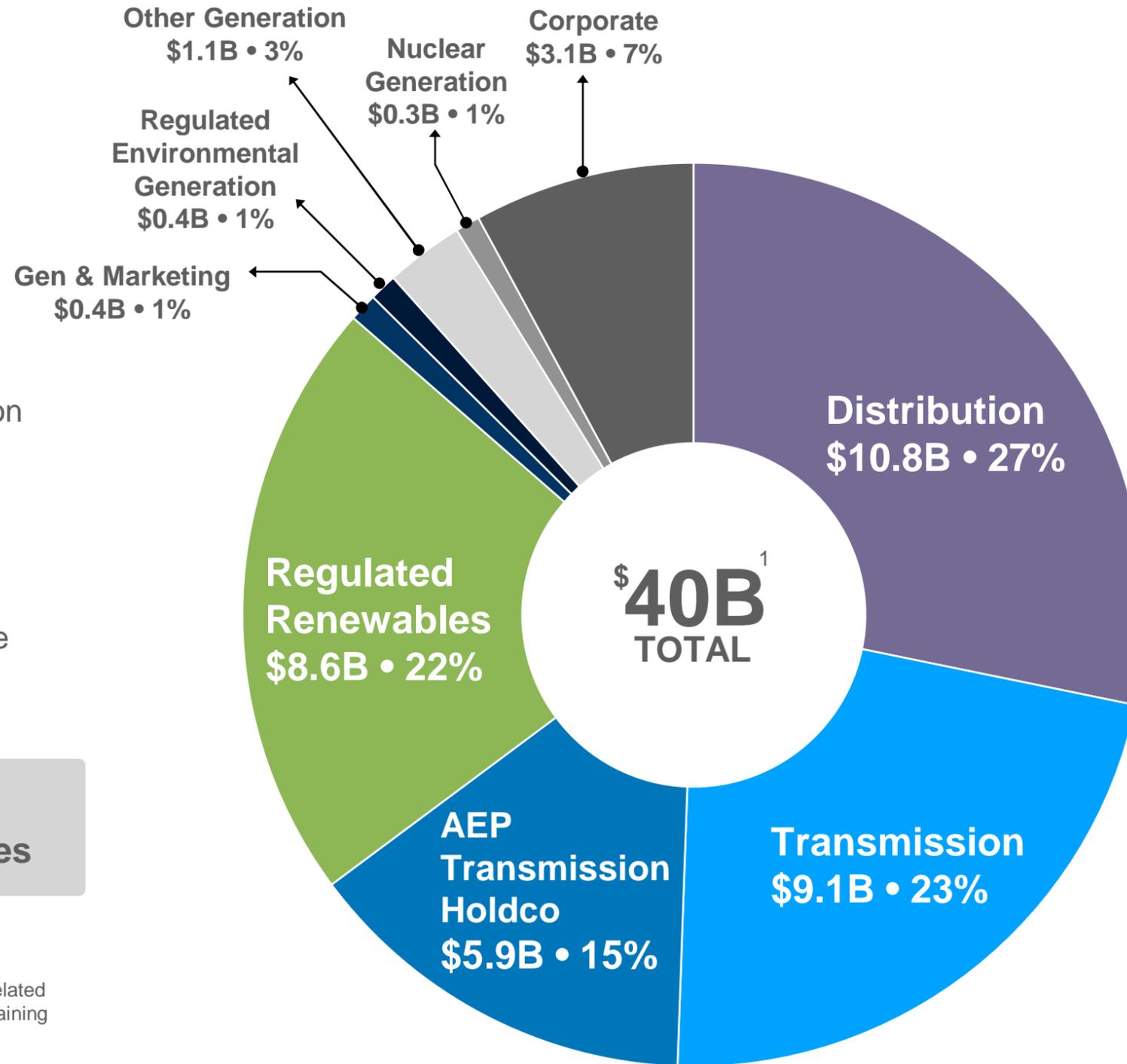
2023-2027 Capital Forecast of \$40B

The ability to quickly redeploy transmission and distribution investment ensures we maintain capital spend while mitigating customer bill impact

On a system average, we expect rates to go up approximately 4% annually over the forecasted period

Capital forecast emphasizes investment in wires and renewables

¹ With the 2023 Kentucky operations sale termination, Kentucky related capital will be absorbed within the current capital plan while maintaining the existing functional split.



99%
of capital allocated to regulated businesses

\$26B 65%
allocated to wires

\$9B 22%
allocated to regulated renewables

7.5%
resulting rate base CAGR



2023-2027 Cash Flows and Financial Metrics

Cash proceeds related to the sale of unregulated contracted renewable assets are included in 2023; proceeds from other future assets sales are not included

| \$ in millions | 2023E ¹ | 2024E | 2025E | 2026E | 2027E |
|--|----------------------|-------------------|-------------------|-------------------|-------------------|
| Cash from Operations | \$ 5,000 | \$ 6,700 | \$ 7,000 | \$ 7,700 | \$ 8,100 |
| Net Cash Proceeds from Sale of Assets ² | 1,200 | - | - | - | - |
| Capital and JV Equity Contributions | (7,100) | (8,900) | (9,700) | (7,300) | (6,900) |
| Other Investing Activities | (100) | (300) | (200) | (300) | (200) |
| Common Dividends ³ | (1,700) | (1,900) | (2,100) | (2,200) | (2,400) |
| Required Capital | \$ (2,700) | \$ (4,400) | \$ (5,000) | \$ (2,100) | \$ (1,400) |
| Financing | | | | | |
| Required Capital | \$ (2,700) | \$ (4,400) | \$ (5,000) | \$ (2,100) | \$ (1,400) |
| Long-term Debt Maturities | (2,700) | (1,700) | (2,300) | (1,700) | (1,500) |
| Short-term Debt Repayments | (1,000) | - | - | - | - |
| Securitization Amortizations | (100) | (200) | (100) | (100) | (100) |
| Equity Units Conversion | 850 | - | - | - | - |
| Equity Issuances – Includes DRP | 100 | 600 | 700 | 700 | 700 |
| Debt Capital Market Needs (New) | \$ (5,550) | \$ (5,700) | \$ (6,700) | \$ (3,200) | \$ (2,300) |
| Financial Metrics | | | | | |
| Debt to Capitalization (GAAP) | Approximately 60% | | | | |
| FFO/Total Debt (Moody's) | 14%-15% Target Range | | | | |

¹ Updated 2023 estimate based on the most recent forecast. The 2024 through 2027 cash flow estimates will be updated at EEI in November 2023.

² Cash proceeds to Parent of \$1.2B in 2023 related to the sale of unregulated contracted renewable assets.

³ Targeted dividend growth is in-line with 6%-7% annual operating earnings growth, subject to approval by Board of Directors. Stated target payout ratio range is 60%-70% of operating earnings.

Actual cash flows will vary by company and jurisdiction based on regulatory outcomes.

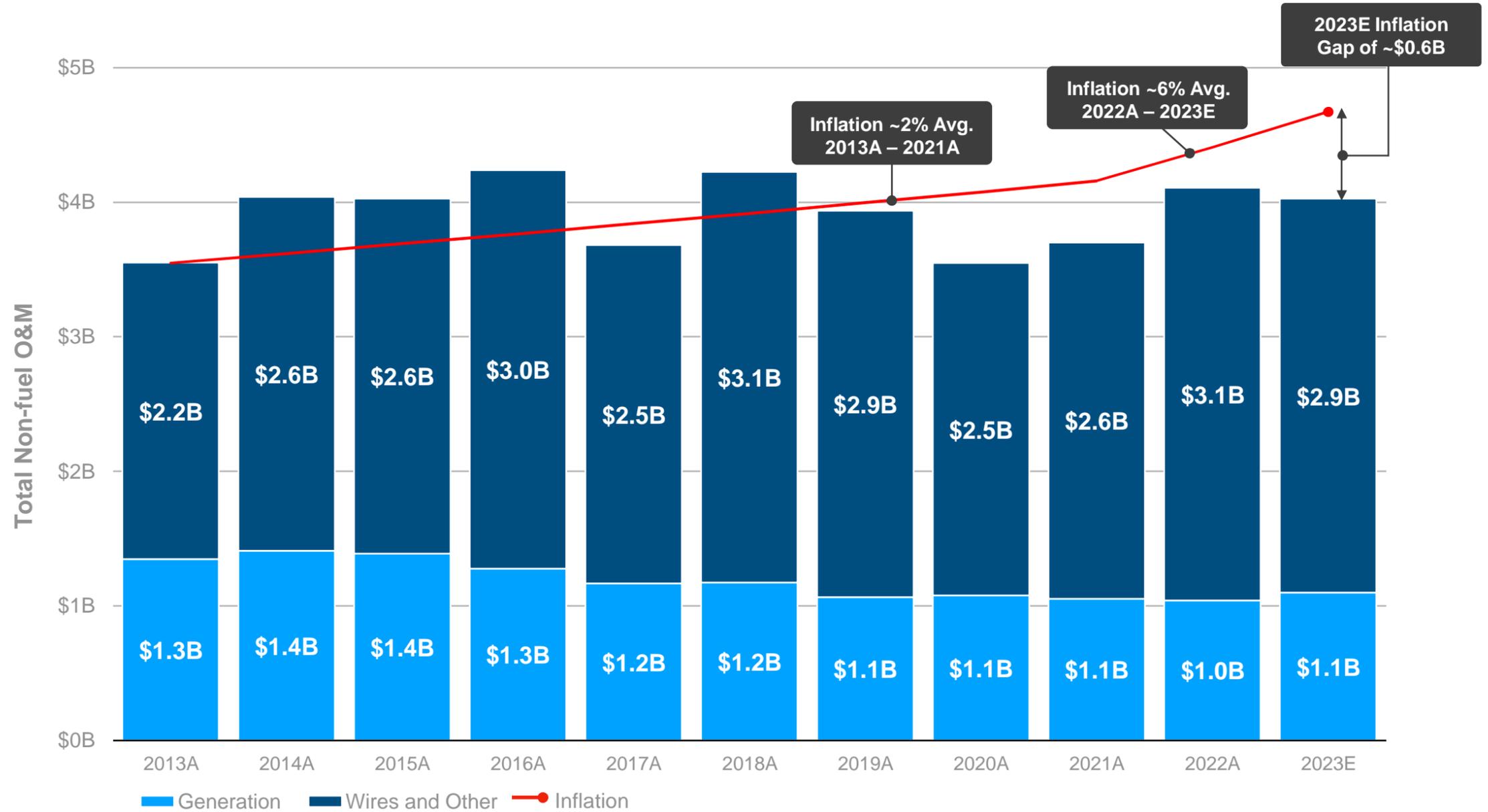


Continuous Focus on O&M Efficiency

O&M discipline over time amid rising costs and growing asset base helps keep customer rates affordable

\$41B 2013A Net Plant **\$79B** 2023E Net Plant

Total tracked and untracked O&M are both actively managed to address customer affordability



| (in billions) | 2013A | 2014A | 2015A | 2016A | 2017A | 2018A | 2019A | 2020A | 2021A | 2022A | 2023E |
|---------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Untracked O&M | \$2.8 | \$3.1 | \$3.1 | \$3.1 | \$2.8 | \$3.1 | \$3.1 | \$2.7 | \$2.8 | \$3.0 | \$2.9 |



Appendix

Renewables and Regulatory

3rd Quarter 2023 Earnings Presentation





Resource Plans Are Aligned with Climate Goals

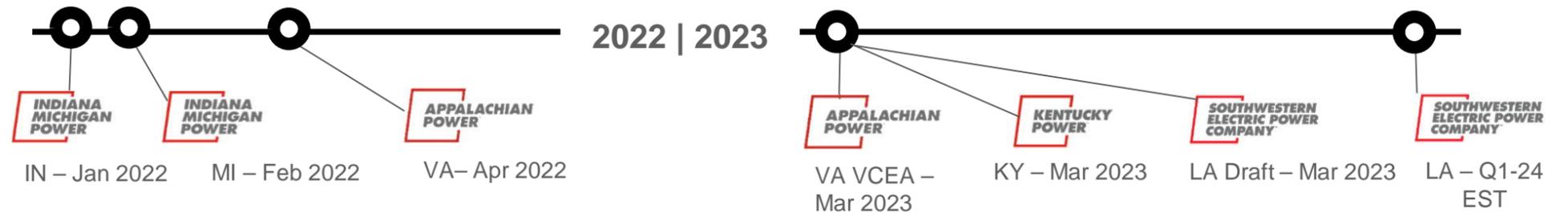
Current IRPs identify a significant need for new clean energy resources over the next 10 years

¹ Resource additions are from Integrated Resource Plans (IRP) filings.

² Investments in renewables will be subject to market availability of viable projects and regulatory approvals.

³ Natural gas additions are peaking units and fuel switching that are primarily selected for capacity (i.e., expected low capacity factors).

IRP FILINGS



10-YEAR RESOURCE NEEDS

| GENERATION ADDITIONS 2023-2032 (MW) ^{1,2} | SOLAR | WIND | STORAGE | NAT. GAS ³ | TOTAL |
|--|--------------|--------------|------------|-----------------------|---------------|
| APCo | 1,020 | 1,154 | 250 | - | 2,424 |
| I&M | 1,300 | 800 | 315 | 750 | 3,165 |
| PSO | 2,550 | 2,800 | - | - | 5,350 |
| SWEPCO | 3,300 | 2,450 | - | 528 | 6,278 |
| TOTAL | 8,170 | 7,204 | 565 | 1,278 | 17,217 |





Regulated New Generation Regulatory Status

Approved projects total \$6B; projects pending commission approval total \$800M

¹ The project approval also included PPAs for seven solar facilities for a total of 204 MW.

² The project approvals in both Indiana and Michigan also included PPAs for two solar facilities for a total of 280 MW.

³ The selected owned facilities were denied by Texas in May 2023.

Approved projects may be impacted by market conditions during development. Additional RFP issuances are expected in the near term consistent with the IRPs for energy and capacity needs.

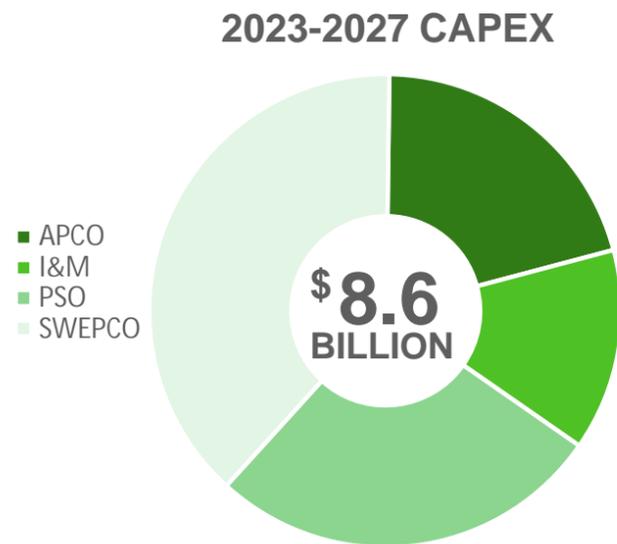


| Total Investment | Resource | Project | MWs | In Service/ Acquisition Date | Jurisdictional Status |
|-------------------------------|----------|--------------------------|-------|---------------------------------|--|
| 209 MW / ~\$500M | Solar | Amherst / Virginia | 5 | Q2-23 | Projects <u>Approved</u> July 2022 Docket # PUR-2021-00206 |
| | Wind | Top Hat / Illinois | 204 | Q3-25 | |
| 143 MW / ~\$426M ¹ | Wind | Grover Hill / Ohio | 143 | Q1-26 | Project <u>Approved</u> September 2023 Docket # PUR-2023-00001 |
| 469 MW / ~\$1.0B ² | Solar | Lake Trout / Indiana | 245 | Q2-26 | Indiana Order Projects <u>Approved</u> October 2023 Docket # 45868 Michigan Orders Docket # U-21189 Mayapple <u>Approved</u> August 2023 Docket # U-21377 Lake Trout Expected Q1 2024 |
| | Solar | Mayapple / Indiana | 224 | Q2-26 | |
| 999 MW / ~\$2.2B ³ | Solar | Mooringsport / Louisiana | 200 | Q4-25 | Projects <u>Approved</u> June 2023 Arkansas Docket # 22-019-U Louisiana Docket # U-36385 |
| | Wind | Diversion / Texas | 201 | Q4-24 | |
| | Wind | Wagon Wheel / Oklahoma | 598 | Q4-25 | |
| 995.5 MW / ~\$2.5B | Solar | Algodon / Texas | 150 | Q2-26 | Projects <u>Approved</u> May 2023 Docket # 2022-000121 |
| | Solar | Chisholm Trail / Kansas | 103.5 | Q4-25 | |
| | Solar | Pixley / Kansas | 189 | Q2-25 | |
| | Wind | Flat Ridge IV / Kansas | 135 | Q1-25 | |
| | Wind | Flat Ridge V / Kansas | 153 | Q1-25 | |
| 154 MW / ~\$150M | Wind | Lazbuddie / Texas | 265 | Q2-26 | Oklahoma Order Expected Q4-23 Docket # PUD 2022-000093 |
| | Wind | Rock Falls / Oklahoma | 154 | Q1-23 | |



Regulated New Generation Investment Growth

Continuing execution on \$8.6B of renewable resource additions over the next five years



RFPs IN PROGRESS¹



| RFP Issued | APPALACHIAN POWER | INDIANA MICHIGAN POWER |
|----------------------------|-------------------|------------------------|
| Wind | 600 MW | 800 MW |
| Solar | | 850 MW |
| Storage | - | 315 MW |
| Natural Gas | - | 540 MW |
| Reg. Filings and Approvals | Q2-24 – Q4-24 | Q1-24 – Q2-25 |
| Projected In-service Dates | YE26 | YE27 |

REGULATED GENERATION PIPELINE

~17 GW Pipeline

Long-term investment potential beyond current 5-year plan

Capital Flexibility

Investments contingent upon markets and regulatory approvals and are backed-up by a flexible pipeline of T&D investments

Growth Drivers

Generation needs coupled with new federal legislation support our clean energy goals and extend our investment runway

¹ RFPs represent up-to MW capacity values; related regulatory filings will take into consideration commission preferences.

² RFP is an all-source solicitation seeking proposals for both owned and PPAs from various types of generation.



Actions to Close the ROE Gap

Focus on achieving authorized ROEs in all operating companies

Regulated Operations ROE as of 9/30/2023 of 8.7%; depressed by 40 bps on mild weather

Other ROEs – 12 Months Ended 9/30/2023:

- AEP Ohio – authorized 9.7% vs earned 8.7%.
- I&M – authorized 9.7% vs. earned 11.0%.
- AEP Transmission Holdco – authorized 10.4% vs. earned 11.3%.

Authorized ROE in multijurisdictional companies is estimated by weighting various jurisdictional factors.

--- Current Authorized ROE

● 12 Months Ended 9/30/2023 ROE (operating earnings, not weather normalized)

✓ Complete



| ACTION PLANS TO CLOSE GAP | | | | |
|---|---|--|--|---|
| APCo | KPCo | PSO | SWEPCO | AEP Texas |
| <ul style="list-style-type: none"> ✓ Securitization legislation passed in WV ✓ Implemented VA triennial rate adjustment pursuant to VA Supreme Court ruling in APCo's favor in 2022 ✓ Filed new VA triennial in 2023 ✓ G, T, broadband, EE, RPS and DR trackers recover most incremental investment; triennial process for balance of recovery in VA ✓ VA biennial rate case legislation passed ✓ Rate base and renewables capital trackers in place for WV | <ul style="list-style-type: none"> ✓ Right team in place to oversee efficient and effective execution of Kentucky strategy ✓ Securitization legislation passed ✓ Filed for recovery of fuel and storm cost deferrals ✓ Base case filed June 2023; statute allows for interim rates effective January 2024 ✓ Securitization filed in June 2023 to right-size rate base and mitigate rate impacts • Implement new economic development opportunities to build a strong community and promote customer affordability | <ul style="list-style-type: none"> ✓ Securitization of Winter Storm Uri costs and North Central rates put in place in 2022 ✓ Base case filed November 2022; pursuing approval of more efficient cost recovery mechanisms with the continuation of T&D trackers | <ul style="list-style-type: none"> ✓ Finalized LA rate case in January 2023 and implemented formula rate going forward ✓ Legislation modified to allow AR base case filing flexibility ✓ Filed Turk CCN and rider request in AR ✓ Filed LA formula rate update in April 2023 ✓ Filed AR formula rate update in April 2023 ✓ G, T and D trackers in place in TX ✓ Timing of formula rate updates and new generation in-service dates to minimize lag | <ul style="list-style-type: none"> ✓ Bi-annual TCOS filings recover significant capital investment ✓ Annual DCRF filings recover D-related capital ✓ Bi-annual DCRF legislation passed • Review rate structures for 2024 rate case filing |

Current Rate Case Activity

Continued focus on regulatory execution



APCo – Virginia

| | |
|---------------------------|-----------------------------|
| Docket # | PUR-2023-00002 |
| Filing Date | 3/31/2023 |
| Requested Rate Base | \$2.9B |
| Requested ROE | 10.6% |
| Cap Structure | 51.7%D / 48.3%E |
| Gross Revenue Increase | \$213M (Less \$53M D&A) |
| Net Revenue Increase | \$160M |
| Test Year | 12/31/2022 |
| <u>Settlement Summary</u> | Pending Commission Approval |
| Settlement Filed | 8/22/2023 |
| Expected Commission Order | Q4-23 |
| Expected Effective Date | January 2024 |
| ROE | 9.5% |
| Cap Structure | 51%D / 49%E |
| Gross Revenue Increase | \$127M |
| Net Revenue Increase | \$86M |



I&M – Indiana

| | |
|----------------------------|----------------------------|
| Docket # | 45933 |
| Filing Date | 8/9/2023 |
| Requested Rate Base | \$5.4B |
| Requested ROE | 10.5% |
| Cap Structure | 48.8%D / 51.2%E |
| Gross Revenue Increase | \$116M (Less \$75M D&A) |
| Net Revenue Increase | \$41M |
| Test Year | 2024 Forecasted |
| <u>Procedural Schedule</u> | |
| Intervenor Testimony | 11/15/2023 |
| Rebuttal Testimony | 12/13/2023 |
| Hearing | 1/16/2024 |
| Expected Commission Order | June 2024 |
| Expected Effective Date | June 2024 |



I&M - Michigan

| | |
|----------------------------|-----------------|
| Docket # | U-21461 |
| Filing Date | 9/15/2023 |
| Requested Rate Base | \$1.3B |
| Requested ROE | 10.5% |
| Cap Structure | 49.4%D / 50.6%E |
| Revenue Increase | \$34M |
| Test Year | 2024 Forecasted |
| <u>Procedural Schedule</u> | |
| Intervenor Testimony | 1/18/2024 |
| Rebuttal Testimony | 2/9/2024 |
| Hearing | 2/22/2024 |
| Expected Commission Order | July 2024 |
| Expected Effective Date | July 2024 |

Current Rate Case Activity



KPCo – Kentucky¹

| | |
|----------------------------------|--------------------|
| Docket # | 2023-00159 |
| Filing Date | 6/29/2023 |
| Requested Rate Base | \$1.8B |
| Requested ROE | 9.9% |
| Cap Structure | 58.4%D / 41.6%E |
| Net Revenue Increase | \$55M ² |
| Test Year | 3/31/2023 |
| <i>Procedural Schedule</i> | |
| Rebuttal Testimony | 11/6/2023 |
| Hearing | 11/28/2023 |
| Statute Allows for Interim Rates | January 2024 |



PSO – Oklahoma

| | |
|---------------------------------------|---|
| Docket # | PUD 2022-000093 |
| Filing Date | 11/22/2022 |
| Requested Rate Base | \$4.4B |
| Requested ROE | 10.4% |
| Cap Structure | 45.4%D / 54.6%E |
| Gross Revenue Increase | \$173M ³ (Less \$70M D&A) |
| Net Revenue Increase | \$103M |
| Test Year | 6/30/2022 |
| <i>Settlement Summary⁴</i> | |
| Settlement Filed | 5/5/2023 |
| Expected Commission Order | Q4-23 |
| Effective Date | 6/1/2023 |
| ROE | 9.5% |
| Cap Structure | 45.4%D / 54.6%E |
| Net Revenue Increase | \$50M |

Continued focus on regulatory execution

¹ The base case filing also included a request to securitize \$471M of regulatory assets to mitigate rate impacts

² Does not include \$39M of existing riders moving to base rates; total revenue increase equals \$94M.

³ Does not include \$75M of existing riders moving to base rates.

⁴ The settlement provided approval for more efficient cost recovery mechanisms with the continuation of T&D trackers.



Actively Managing Current Fuel Cost Impacts

Adapting fuel clause recovery with a focus on customer impacts

APCo VA

- Current Mechanism: 12-month fuel clause to reset and account for prior year
- Adjustment: Reset base of fuel level with a 24-month recovery and carrying charge on under-recovered balance starting in September 2022

APCo/WPCo WV

- Current Mechanism: 12-month fuel clause to reset and account for prior year
- Adjustment: Securitization legislation effective March 2023; new fuel case filed in April 2023 proposes to use the securitization legislation to address deferred fuel balance

PSO OK

- Current Mechanism: 12-month fuel clause to reset and account for prior year
- Adjustment: Reset base of fuel level starting in October 2022 which includes 27 months to recover under recovered balance

SWEPCO AR

- Current Mechanism: 12-month fuel clause to reset and account for prior year filed annually in March, effective for April bills
- Adjustment: Filed an interim factor effective October 2022 to recover the under recovery in a 6-month surcharge; this makes the increase effective during the lower winter seasonal rate

SWEPCO TX

- Current Mechanism: May update the fuel factor up to three times per year in a process resetting fuel (filed only in January, May, and/or September); this is not done every year
- Adjustment: Updated fuel surcharge to collect the under recovered balance over a 16-month period starting in February 2023



Appendix

Economic Development

3rd Quarter 2023 Earnings Presentation





Economic Development Project Announcements: 2021 to Q3 2023¹

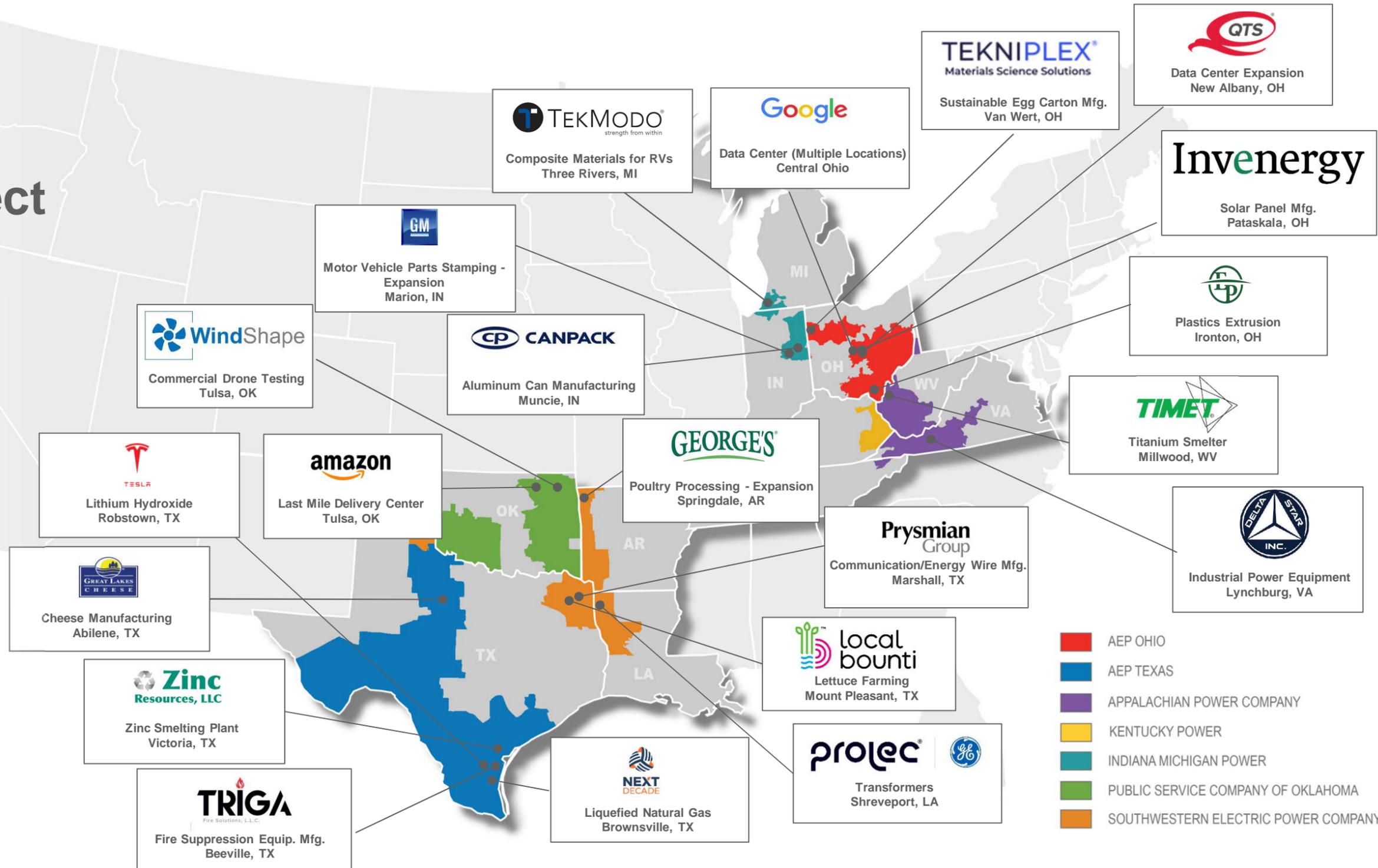
AEP has an attractive service territory for economic development

Summary of Future Impacts²

33K Direct Jobs

 49K Indirect/Induced Jobs

 4.9 GW from 2021 to Q3 2023 Announced Projects



¹ Companies in the graph represent recently added economic development projects and do not reflect all announced projects.

² Represents the impact of all economic development projects announced during the 2021-Q3 2023 period, including all companies listed on slides 40 and 41.



Recent AEP Reshoring Successes

Targeting industries eligible for federal funding and tax credits from the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) and grow the communities we serve.

Intel (AEP Ohio)

- \$20B investment at the first Midwest chip production plant.
- Property was annexed into AEP Ohio service territory.
- The site was selected because of AEP's competence in serving large loads, team strength and depth and demonstrated ability to meet Intel's unique needs.

Nucor (APCo)

- The largest single investment in West Virginia history.
- Site chosen because of high voltage infrastructure, AEP's proven ability to serve large loads and AEP's excellent customer service.

GM + Samsung SDI (I&M)

- The largest EV battery investment in US.
- Site chosen because of high voltage infrastructure, proximity to automotive assembly facilities and Indiana's pro-business environment.

Enel (PSO)

- The largest single investment in Oklahoma history.
- Site chosen because of high voltage infrastructure, shovel readiness, and PSO's ability to achieve company's 100% renewable energy goals.

