

Vertically Integrated Utilities

| Jurisdiction | Pro Forma Rate Base ¹ (\$ millions) | Operating ² Earned ROE as of 12/31/2017 | Approved ROE | Approved Debt/Equity | Effective Date of last approved rate case |
|-------------------------------|--|--|---------------------|----------------------|---|
| APCo-Virginia | | | 10.40% ³ | 57/43 | 2/2/2015 |
| APCo-West Virginia/WPCo | | | 9.75% | 53/47 | 5/27/2015 |
| APCo - FERC | | | 11.06% | 54/46 | 6/1/2016 |
| APCo/WPCo Total | \$ 8,220 | 8.9% | | | |
| Kingsport Power - Tennessee | | | 9.85% | 58/42 | 8/9/2016 |
| KgPCo- TN Total | \$ 106 | 10.0% | | | |
| KPCo -Distribution/Generation | | | 9.70% | 54/4/42 ⁴ | 1/19/2018 |
| KPCo-Kentucky Total | \$ 1,663 | 5.1% | | | |
| I&M-Indiana | | | 10.20% | 48/52 | 2/28/2013 |
| I&M-Michigan | | | 10.20% | 49/51 | 3/29/2012 |
| I&M - FERC | | | 10.81% | 44/56 | 6/1/2016 |
| I&M Total | \$ 4,713 | 8.4% | | | |
| PSO- Distribution/Generation | | | 9.50% | 56/44 | 1/15/2016 |
| PSO-Oklahoma Total | \$ 2,840 | 6.2% | | | |
| SWEPCO-Louisiana | | | 10.00% ⁵ | 48/52 | 8/1/2015 |
| SWEPCO-Arkansas | | | 10.25% | 54/46 | 11/24/2009 |
| SWEPCO-Texas | | | 9.60% | 51/49 | 5/20/2017 |
| SWEPCO - FERC | | | 11.10% | 50/50 | 1/1/2016 |
| SWEPCO Total | \$ 4,902 | 6.4% | | | |

Transmission and Distribution Companies

| Jurisdiction | Proforma Rate Base ¹ (\$ millions) | Operating ² Earned ROE as of 12/31/2017 | Approved ROE | Approved Debt/Equity | Effective Date of last approved rate case |
|--------------------------------------|---|--|--------------|----------------------|---|
| AEP Ohio - Distribution ⁶ | | | 10.20% | 52/48 | 2/25/2015 |
| AEP Ohio - Transmission | | | 11.49% | 50/50 | 7/1/2016 |
| AEP Ohio Total | \$ 4,569 | 14.2% ⁷ | | | |
| AEP Texas Central | \$ 2,881 | | 9.96% | 60/40 | 5/29/2007 |
| AEP Texas North | \$ 1,168 | | 9.96% | 60/40 | 3/4/2008 |
| AEP Texas Total | \$ 4,049 | 10.0% | | | |

Transcos

| Company | Proforma Rate Base ¹ (\$ millions) | Operating ² Earned ROE as of 12/31/2017 | Approved ROE | Approved Debt/Equity | Effective Date of last approved formula rate filing |
|------------------------------|---|--|--------------|----------------------|---|
| AEP Ohio Transco | \$ 1,827 | 14.3% | 11.49% | 50/50 | 7/1/2016 |
| AEP Kentucky Transco | \$ 63 | 11.4% | 11.49% | 50/50 | 7/1/2016 |
| AEP Indiana Michigan Transco | \$ 1,048 | 12.5% | 11.49% | 50/50 | 7/1/2016 |
| AEP West Virginia Transco | \$ 571 | 10.2% | 11.49% | 50/50 | 7/1/2016 |
| AEP Oklahoma Transco | \$ 635 | 10.0% | 11.20% | 50/50 | 7/1/2016 |

¹ Rate base represents Net Utility Plant plus Regulatory Assets less Net Accumulated Deferred Income Taxes and less Regulatory Liabilities from 2016 Ferc Form 1.

² Operating ROE adjusts GAAP results by eliminating any material nonrecurring items and is not weather normalized. 12-month rolling ROE.

³ 10.4% Allowed top of band, 70 BPS above authorized 9.7%, as approved in 2014. Base rates subsequently frozen in VA by the Feb. 2015 Rate Freeze Law. A 9.4% ROE was approved in October 2016 to be applied to Rate Adjustment Clauses (RACs) only.

⁴ Approved Debt/AR/Equity.

⁵ Represents the midpoint of the ROE range approved in the formula rate case settled in February 2014.

⁶ Per ESP III Order.

⁷ ROE is 10% adjusted for SEET items.

Chart above excludes AEG's Rockport plant investment. AEG sells capacity & energy to I&M and KPCo under a PPA.