

**AMERICAN
ELECTRIC
POWER®**

AEP TRADE ASSOCIATION
CLIMATE LOBBYING REPORT



INTRODUCTION

ABOUT THIS REPORT

This report provides an overview of American Electric Power's climate position and principles and how they align with the lobbying activities undertaken by the major trade associations to which we currently belong. The timeframe covered by this report is January 1, 2022 – December 31, 2022, unless otherwise noted.

In addition, this report identifies AEP's direct engagement within these trade associations, such as serving on a board of directors, serving on a committee, etc. This includes identifying those who engage with these trade associations on AEP's behalf.

This report includes information from third parties, including the trade associations themselves, and AEP makes no representation about the accuracy of any such third-party information. Direct language from the trade associations' own materials appears in quotes.

ANALYSIS OF TRADE ASSOCIATIONS

Trade associations are membership organizations that members, typically within an industry, set up and fund to advocate industry views, improve business conditions and share information with members under the umbrella of a common goal or mission statement. Trade associations often represent the collective "voice of business" to policymakers and the public. They can lobby and engage in other political activities that are relevant to their purpose. They may also lobby against specific issues. Members of a trade association may not completely agree with the group's positions on specific issues, but these trade groups typically operate under a consensus-based approach.

At AEP, we have long held the belief that it is important for us to engage and have a seat at the table where policy decisions are discussed to share our views and have them potentially integrated into lobbying strategies of the groups to which we belong. To that end, AEP belongs to several trade associations and other organizations that represent a broad spectrum of views on industry and policy issues. These organizations must balance the

positions of their various members. We have not always been in complete agreement with all the positions taken by our trade associations; in those cases, we use our influence and expertise to try to moderate positions. While we try to moderate positions where and if possible, we are not always successful.

Some people have advocated that AEP should withdraw its membership from trade groups that have positions with which AEP's views are not in full alignment, especially on climate change-related issues. The threshold for alignment that some stakeholders consider crucial involves support for the Paris Climate Agreement, which sets long-term, global goals to limit the global temperature increase this century to 1.5 to 2 degrees Celsius. The Agreement, approved at the UN Climate Change Conference (COP21) in 2015, is a legally binding international treaty that calls for countries to reduce their emissions and work together to adapt to the impacts of climate change. The U.S. re-joined the Paris Climate Agreement in 2021.

Many of our peers and customers belong to these same trade groups that are under scrutiny for their climate positions, and it is important for us to engage in those forums to hear from them first-hand and educate members on why we may have differing views.

There has been, and will continue to be, value in having a seat at the table when key industry issues are discussed.



ASSESSMENT METHODOLOGY

Trade associations included in this analysis are identified in AEP's annual disclosure of trade association lobbying. This annual report is available at [Political Engagement | AEP Investors](#); it is updated during the first quarter of each year. In addition, we evaluated the major trade associations where AEP is actively engaged through payments (dues, memberships, sponsorships) and company involvement (service on a board or committee). We identified which of those trade associations have

a stated policy or principles related to climate change and whether they mention support for the Paris Climate Agreement and net-zero carbon reduction goals. We also reviewed press releases, public statements, and other related documents on the trade associations' websites to learn whether their positions enable AEP's clean energy transition. Then, we compared our findings with AEP's climate policy position and principles to assess whether we are in full or partial alignment, or if we are misaligned.

AEP's Categories of Alignment

ALIGNED WITH AEP'S POLICY POSITION

Trade association positions are consistent with or supportive of the Paris Climate Agreement (whether it is specifically stated or not), supportive of net-zero goals or other strategies that are compatible with the Paris Agreement. This includes grid modernization investments (e.g., transmission, distribution and technology advancement) to facilitate a clean energy economy pathway, with support from state and federal regulators and policymakers.

PARTIALLY ALIGNED WITH AEP'S POLICY POSITION

This indicates the trade association has some alignment with AEP's climate policy position. However, the trade association may also have divergent positions on aspects of AEP's climate policy position or may have taken actions that are not consistent with AEP's clean energy strategy.

MISALIGNED WITH AEP'S POLICY POSITION

This indicates the trade association has made public statements and/or taken actions that are in opposition to the Paris Agreement or net-zero, undermining AEP's pursuit of its clean energy strategy.

DISCLOSURE COMMITMENT

- I. Results of our analysis are disclosed in this stand-alone report that is available on AEP's website — [Political Engagement | AEP Investors](#).
- II. We will review the report annually to identify any material changes that may have occurred; those changes will be provided in a summary update on the website and in the annual Corporate Sustainability Report.
- III. We will conduct a full review of this assessment as needed.



AEP'S CLIMATE POLICY POSITION & PRINCIPLES

Building upon nearly two decades of climate change engagement with various stakeholders, AEP developed an updated climate policy position and a set of guiding principles to reflect our clean energy strategy and support our 2045 goal of net-zero greenhouse gas emissions.

At American Electric Power, we understand the importance of our role in decarbonization while also delivering clean and reliable electricity at competitive rates to our customers. Our goal to achieve net-zero greenhouse gas (GHG) emissions by 2045 is compatible with and contributes to the objectives outlined in the Paris Climate Agreement. Our approach to accomplishing net-zero emissions includes significant investment in renewable generation, energy storage, modernizing the power grid, exploring emerging low- and zero-emission generation technologies, and steadily reducing emissions over time.

At the same time, we will continue to transition from higher emitting fossil fuels to lower- and non-emitting resources in a responsible manner to ensure grid reliability and resilience are maintained throughout this transformation.

The pace and scope of our actions are influenced by many factors, including customer demand, regulatory decisions, technology development, customer bill impacts, legal obligations, and stakeholder input. We are committed to working collaboratively with our customers, regulators, investors, employees, and other stakeholders to develop policies that enable a cost-effective and equitable transition to net-zero emissions.

No single company or nation can solve the issue of climate change by itself. This will take collective action, and AEP recognizes its responsibility as an energy company to work toward a net-zero emissions future.

We believe the following principles are essential to effective climate policy:

- **Reliability is priority number one.** Customers – from the smallest home to the largest industrial user – all depend on electricity. We must ensure the power they need is available to them when they need it.
- **Affordability matters.** Renewables frequently present as the best, lowest reasonable cost resource to meet the energy needs of customers since they are not subject to the fuel costs and price volatility that other generating resources experience. This is a benefit for customers and helps to maintain affordable and stable rates.
- **Making the right investments at the right time.** The transition to cleaner generation requires significant investment in every facet of electricity production and delivery. We are mindful of making the right investments in the right places at the right time to ensure customers' energy costs remain affordable.
- **Diverse generating portfolios are key to reliability.** Every type of generating resource has benefits and challenges so maintaining a diverse generating portfolio that includes renewable resources and other non-carbon emitting technologies is critical to the stability and functionality of the grid.
- **Supporting communities that have been foundational to our nation's success is important.** As traditional fuel sources are retired, we look for opportunities to utilize new technologies in those same areas. And when that's not feasible, we work with those communities to identify new uses for the sites.

These principles should be supported by policies that:

- Offer flexibility and incentives for utilities to develop a cost-effective net-zero carbon pathway that preserves affordability and reliability of energy for all customers.
- Promote necessary siting and development of infrastructure, including new transmission and distribution, to support the clean energy transition.
- Uphold the indispensable role electricity plays in decarbonizing other sectors of the economy. Energy-intensive industries may need to electrify their processes. Electrifying the transportation sector – the largest source of GHGs – has potential to yield substantial benefits. These industries represent significant opportunities, but also significant challenges for electric companies.
- Support a variety of options for meeting energy demands.
- Promote a Just Transition that provides pathways for workers and communities that may experience the loss of jobs and economic support as the need for traditional energy sources diminishes.

Policies should:

- Establish reasonable intermediate and long-term goals that account for the enormity and complexity of the work that needs to take place.
- Include flexible compliance mechanisms, such as emission trading, which provide cost-effective solutions for decarbonization economy-wide and recognize regional differences in how electricity is generated, transmitted, and utilized.
- Support necessary transitional generation resources such as clean coal and natural gas to ensure reliable electric service, especially during periods of peak demand. Dispatchable resources like these will be needed while economic zero-carbon dispatchable resources are being developed.

- Weigh decisions relating to both new and existing generation capacity that account for factors such as fuel diversity, remaining useful life and local economic impacts in maintaining a cost-effective and reliable generation mix as new technologies develop.
- Support and incentivize research, development, demonstration, and deployment of advanced technologies to cost-effectively enable achievement of net-zero goals. These include advanced nuclear, hydrogen and other advanced fuel sources, long-duration energy storage, and carbon capture utilization and storage.
- Recognize that continued operation of nuclear generation is essential to maintaining carbon reduction progress and enabling achievement of net-zero goals.
- Generate opportunities to nurture and maintain economic vitality and stability.
- Help to address the complex challenges of siting and building regional and interregional transmission infrastructure in support of the nation's goals.
- Make best efforts to mitigate the economic, social, and personal impacts of transition, including potential disproportionate impacts to marginalized populations and communities. The transition also must not compromise basic rights of workers or threaten broader human rights.



EVOLVING POLICY POSITIONS

Climate change remains a top issue of engagement with many of our stakeholders. At AEP, we are committed to making the energy we provide as clean as possible, without compromising reliability, affordability, or the security of the electric power system. We are taking concrete actions, setting reasonable goals, deploying new technologies and analytics to modernize the grid, investing in regulated renewables, and working with our states to make the transition to a clean energy future.

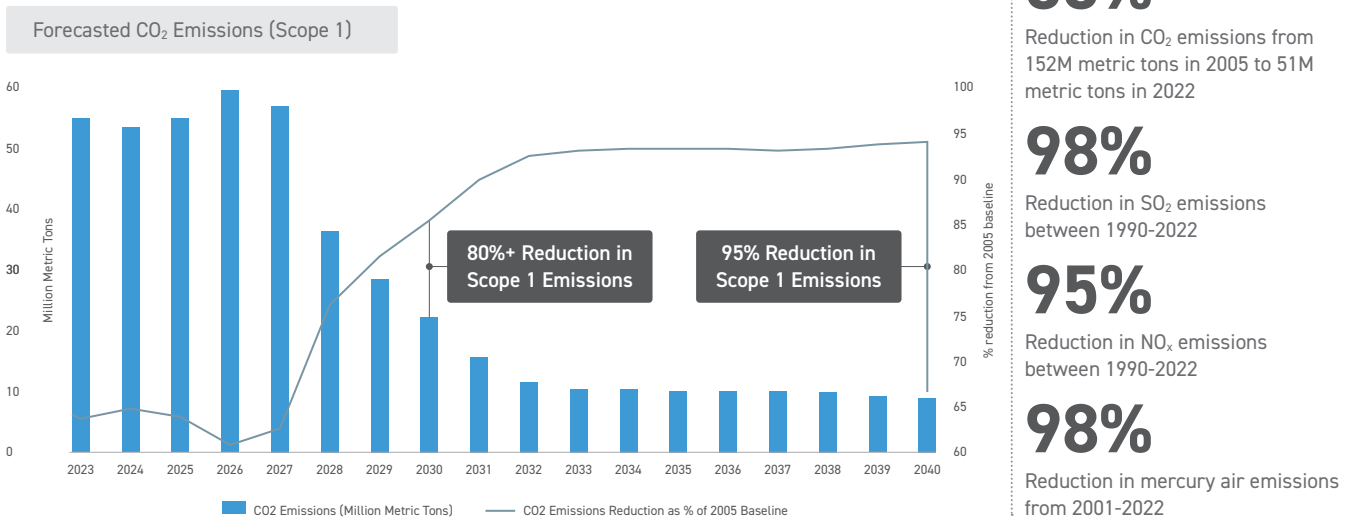
AEP published a clean energy report in 2018 that included a new goal to reduce carbon emissions 80% by 2050. In 2021, AEP published a more extensive climate report using the framework of the Task Force for Climate-related Financial

Disclosure (TCFD). In addition, we set new goals to achieve an 80% carbon emissions reduction by 2030 and net-zero by 2050. In 2022, we revised our carbon reduction goals for a third time – moving our baseline from 2000 to 2005 and accelerating our net-zero goal from 2050 to 2045. We are on track to achieve an 80% reduction in greenhouse gas emissions by 2030. Through 2022, we have already achieved a 66% reduction.

We maintain a continued commitment to our stakeholders to periodically review our goals, transition plans, and climate-related risks and opportunities to inform our strategic planning and decision making.

AEP'S GHG REDUCTION GOALS & PATHWAY

Proven Track Record of Reducing Fleet Emissions



Projections based upon filed Integrated Resource Plans current as of 12/31/2022 for regulated companies and also assumes an extension of the Cook nuclear power plant through the forecast period. Ability to meet the transition timeline is dependent upon market availability of resources, regulatory approvals, transmission system availability, etc.

AEP'S GHG EMISSIONS REDUCTION GOALS

NET-ZERO BY 2045

80% reduction by 2030

From a 2005 baseline



CLIMATE GOVERNANCE

AEP's Board of Directors understands the importance of climate change issues and their significance to our employees, customers, investors, and other stakeholders. The Board regularly discusses issues related to climate change, including AEP's carbon reduction goals, clean energy investment strategy, public policy and legislation, and risks and opportunities that could affect AEP.

The [Committee on Directors and Corporate Governance](#) leads the governance of climate risks, but the full Board engages in approving AEP's strategy to invest in renewable energy, reduce carbon emissions, and support our local communities and regional economies to make the transition. More about the Board's role is available in our [TCFD Climate Impact Analysis Report](#).

AEP's management provides guidance on the company's transition pathway and decarbonization goals and strategy.

Executives rely upon multiple business unit-level groups that manage AEP's climate-related policy and regulatory priorities, system and resource planning, risk management, and others.

AEP's Board of Directors and management are actively engaged in overseeing the company's political engagement activities. This includes our advocacy efforts, government affairs activities, and political spending. Multiple corporate policies, such as [AEP's Political Engagement Policy](#) and [Anti-Corruption Policy](#), provide guidance and inform our actions. The Committee on Directors and Corporate Governance has primary oversight over AEP's political engagement activities, which are reviewed at least semi-annually. For more information about AEP's political engagement policies and annual lobbying disclosures, please see [Political Engagement | AEP Investors](#).

WHERE OUR STATES STAND

As the map below shows, our states are at various stages of accepting the transition to a future that includes renewable energy. At times, this can present significant tension that we must navigate to ensure we adequately inform stakeholders of our plans, the drivers behind them,

and the benefits to our customers. It requires collaboration and ongoing engagement to maintain a diversified portfolio that is equitable for all customers while maintaining the stability and reliability of the grid.

AEP States Clean Energy Standards & Targets

Arkansas — No RPS or voluntary targets; no GHG reduction targets

Indiana — No GHG reduction targets; voluntary goal established in 2011

Kentucky — No RPS or voluntary targets; no GHG reduction targets

Louisiana — No RPS, voluntary or GHG reduction targets. Approved the state's first Climate Action Plan in 2022 goal is net-zero GHG emissions by 2050. The executive targets call for reducing GHG emissions 26-28% by 2025 and 20-50% by 2030. It sets a net-zero target for 2050

Michigan — Established Executive GHG target in 2020 to achieve economy-wide carbon neutrality no later than 2050 and to maintain net-negative GHG emissions thereafter. Interim targets: 28% by 2025; 52% by 2030 (2000 baseline)

Ohio — In 2019, the state reduced its RPS requirement from 12.5% to 8.6% and eliminated the solar carve-out. No GHG reduction targets

Oklahoma — No RPS or voluntary targets; no GHG reduction targets

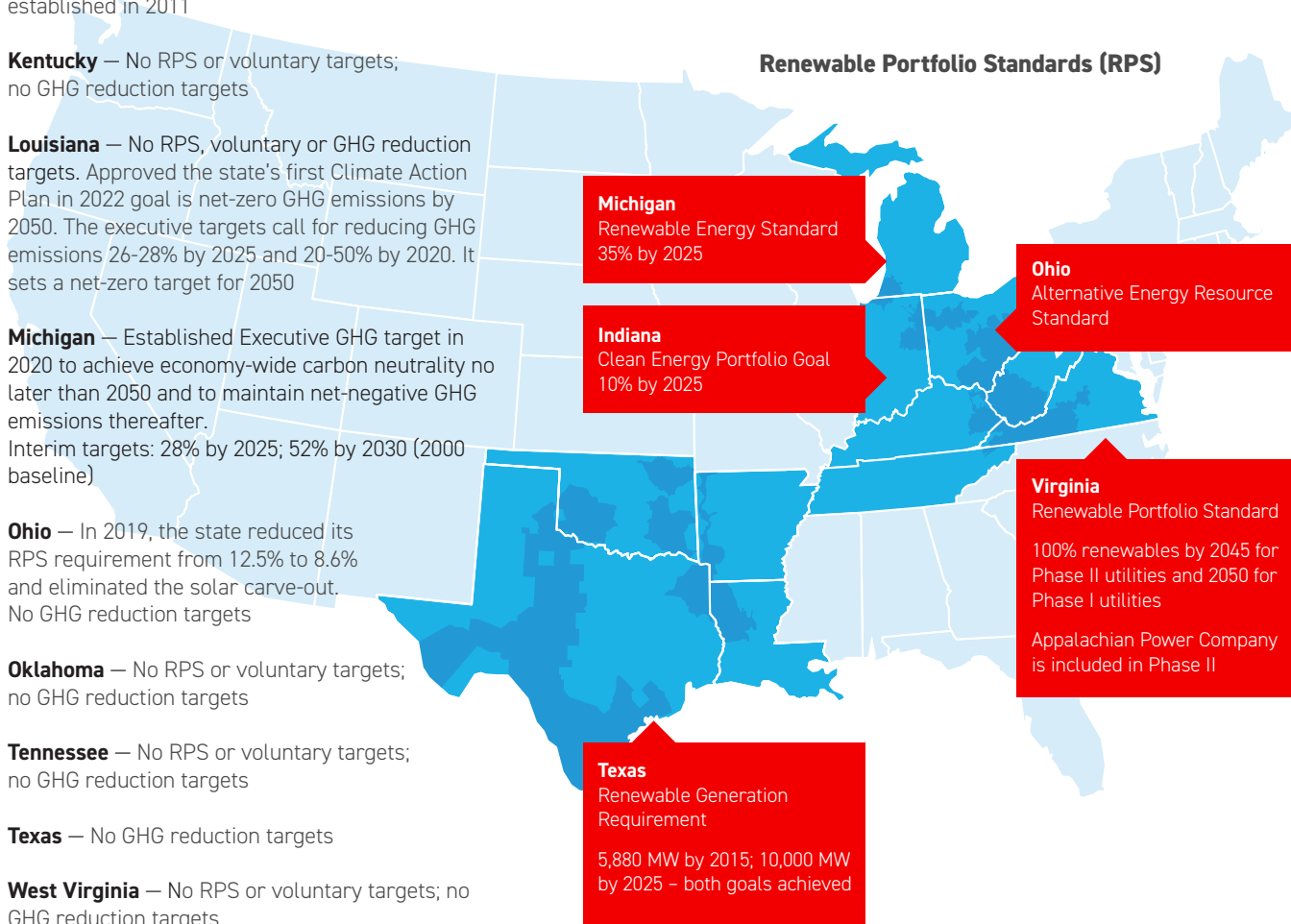
Tennessee — No RPS or voluntary targets; no GHG reduction targets

Texas — No GHG reduction targets

West Virginia — No RPS or voluntary targets; no GHG reduction targets

Virginia — Net-zero emissions by 2045. Established in 2020, the Virginia Clean Energy Act also requires utilities to procure a certain amount of generation from solar and onshore wind sources that are located within the state by a specific date.

Renewable Portfolio Standards (RPS)



Sources: NCSL — [State Renewable Portfolio Standards and Goals \(ncsl.org\)](https://www.ncsl.org) and C2es — [U.S. State Greenhouse Gas Emission Targets - Center for Climate and Energy Solutions \(c2es.org\)](https://www.c2es.org)

An aerial photograph of a solar farm. The image shows numerous rows of solar panels, each row separated by a narrow strip of green grass. The panels are arranged in a grid pattern, extending across the entire frame. In the center of the image, a gravel path runs horizontally, and a white truck with a red and blue stripe is driving on it. The text "TRADE ASSOCIATION" and "CLIMATE LOBBYING ANALYSIS" is overlaid on the top half of the image.

TRADE ASSOCIATION
CLIMATE LOBBYING ANALYSIS

Trade Association **Climate Lobbying Analysis**

American Clean Power Association (ACP)

About

The American Clean Power Association (ACP) is a trade group representing companies from across the clean power sector, including utilities, clean energy developers, and many others.

AEP is a member of the ACP and expects to continue this membership.

AEP Executive Vice President & Chief Commercial Officer Greg Hall serves on

ACP's Board of Directors. AEP also serves on committees of ACP and contributed to the organization's development of its "[Energy Transition for All](#)" report.

In 2021, the portion of AEP's membership dues to the ACP that was allocated to lobbying activities was \$50,750. (This payment covered membership in 2022).

Climate Change Position

ACP states that its goal is "to transform the U.S. power grid to an affordable, reliable, and clean power system." The group's focus is to "make clean energy the dominant electricity source in the U.S. by uniting the power of solar, wind, storage, and transmission companies along with manufacturers and construction companies,

developers and owner/operators, utilities, financial firms, and corporate purchasers in the clean energy value chain."

ACP supports the U.S. participation in the Paris Climate Agreement. No stated position on net-zero.

Areas of Influence & Alignment

ACP's broad membership enables it to serve as the voice of the clean power industry. This extends to the entire value chain of the clean energy industry, of which AEP is part.

ACP's commitment to cost-effective solutions to climate change while creating jobs, spurring significant investment in the U.S. economy, and driving high-tech innovation across the nation, is aligned with AEP's position.

In addition, ACP's objectives to "remove barriers to clean energy and to champion policies that will transform the U.S. power grid to a low-cost, reliable, and clean power system" are aligned with AEP. The ACP has outlined multiple priorities such as:

- "Expand demand for renewable energy technologies at a national, regional, and state level.
- Remove barriers of entry through regulatory permitting, and siting reforms.

- Establish long-market certainty to ensure increased investment and manufacturing of renewable energy technologies.
- Invest in a national grid that is reliable, secure, clean, and designed for a renewable future.
- Develop a robust, stable and diverse renewable energy workforce."

**ALIGNED WITH AEP'S
POLICY POSITION**

Trade Association **Climate Lobbying Analysis**

Business Roundtable (BRT)

About

The Business Roundtable is an association of chief executive officers (CEOs) of America's leading companies who work together to "promote a thriving U.S. economy and expanded opportunity for all Americans through sound public policy."

AEP president and CEO, Julie Sloat, is a member of the BRT. We expect to continue this membership.

In 2022, the portion of AEP's membership dues to the BRT that was allocated to lobbying activities was \$120,000.

AEP was a signatory to the BRT's Statement on the [Purpose of a Corporation](#).

Climate Change Position

The BRT states that it believes that to avoid the worst impacts of climate change, "the world must work together to limit global temperature rise this century to well below 2 degrees Celsius above preindustrial levels, consistent with the Paris Climate Agreement."

Further, the BRT states that the United States and the international community "must aggressively reduce GHG emissions

and create incentives for developing new technologies to achieve this goal."

The BRT supports a goal of reducing net U.S. GHG emissions by at least 80 percent from 2005 levels by 2050.

The BRT supports the U.S. decision to re-join the Paris Climate Agreement.

Areas of Influence & Alignment

BRT CEOs are calling for a well-designed market-based mechanism to reduce emissions.

The BRT supports placing a price on carbon as an effective incentive to reduce GHG emissions and mitigate climate change. While this is not a preferred policy approach for AEP, we use a price of carbon in our integrated resource plans as a proxy for climate policy.

The BRT's core principles for effective climate policy, which are outlined in its report *Addressing Climate Change: Principles and Policies*, align with AEP's principles and policies. The BRT's principles include:

- Align policy goals and GHG emissions reduction targets with scientific evidence.
- Increase global engagement, cooperation, and accountability.
- Leverage market-based solutions wherever possible.

- Provide for adequate transition time and long-term regulatory certainty.
- Preserve the competitiveness of U.S. businesses, including avoiding economic and emissions "leakage."
- Minimize social and economic costs for those least able to bear them.
- Support public and private investment in low-carbon and GHG emissions reduction technologies.
- Minimize administrative burdens and duplicative policies while maximizing compliance flexibility.
- Ensure that U.S. policies account for international emissions reduction programs.
- Advance climate resilience and adaptation.
- Eliminate barriers to the deployment of emissions reduction technologies and low-carbon energy sources.

Source: Business Roundtable, *Addressing Climate Change: Principles and Policies*, <https://www.businessroundtable.org/climate>

**ALIGNED WITH AEP'S
POLICY POSITION**

Trade Association **Climate Lobbying Analysis**

Edison Electric Institute (EEI)

About

The Edison Electric Institute (EEI) is the primary trade association that represents U.S. investor-owned electric utilities. EEI's member companies provide electricity to more than 235 million Americans and operate in all 50 states and the District of Columbia. In addition, EEI represents 65 international electric companies and hundreds of industry suppliers and related organizations.

AEP is a member of EEI and has held multiple leadership positions within the organization,

including serving as Chair of the EEI Board of Directors. AEP President & CEO, Julie Sloat, is a member of the EEI Board of Directors. AEP is currently actively engaged within EEI on several issues and on committees.

In 2022, the portion of AEP's membership dues to EEI that was allocated to lobbying activities was \$448,310.

Climate Change Position

According to EEI's website: "EEI's member companies are leading the clean energy transformation and are working every day to get the energy we provide as clean as we can as fast as we can, without compromising the reliability and affordability that customers and communities value."

"EEI's member companies are continuing to work to reduce carbon emissions in our sector and are committed to helping other sectors—particularly the transportation and industrial sectors—transition to clean, efficient electric energy. This is just the start. With investments in new technologies and

the right policies, we can do even more to build a cleaner, stronger economy together."

"Many factors are driving our industry's clean energy transformation, including declining costs for renewable energy resources, technological improvements, changing customer expectations, federal and state regulations and policies, and the increasing use of distributed energy resources."

EEI publicly supported the Biden administration's decision to re-join the Paris Climate Agreement. EEI supports its members' net-zero goals.

Areas of Influence & Alignment

EEI's member companies are among the most regulated companies in the country. EEI engages on their behalf with federal and state legislators, regulators, and other policymakers through lobbying, advocacy, and regulatory proceedings, with the goal of providing customers with affordable, reliable, and resilient clean energy.

EEI also engages with a range of other industry stakeholders on issues related to grid reliability; cyber and physical security; mutual assistance and disaster response; finance and tax matters; environmental, social, and governance (ESG); and programs, services, and solutions for electricity customers.

EEI advocates for policies that align with

AEP's position on climate. Its policy positions are stated as follows:

- "Enable the siting, permitting, and construction of new technologies and the transmission infrastructure we need to deliver clean energy to customers.
- Enhance energy grid modernization and resilience.
- Leverage electric power sector emission reductions to reduce emissions in other sectors of the economy."

EEI sent a delegation representing electric utilities to the 27th Conference of the Parties to the United Nations Framework Convention

Trade Association **Climate Lobbying Analysis**

Edison Electric Institute (EEI)

Areas of Influence & Alignment

(continued)

on Climate Change (COP27) in 2022 and organized and/or participated in several events on issues ranging from electrification of the U.S. economy to advancing technologies that would enable achieving net-zero carbon goals.

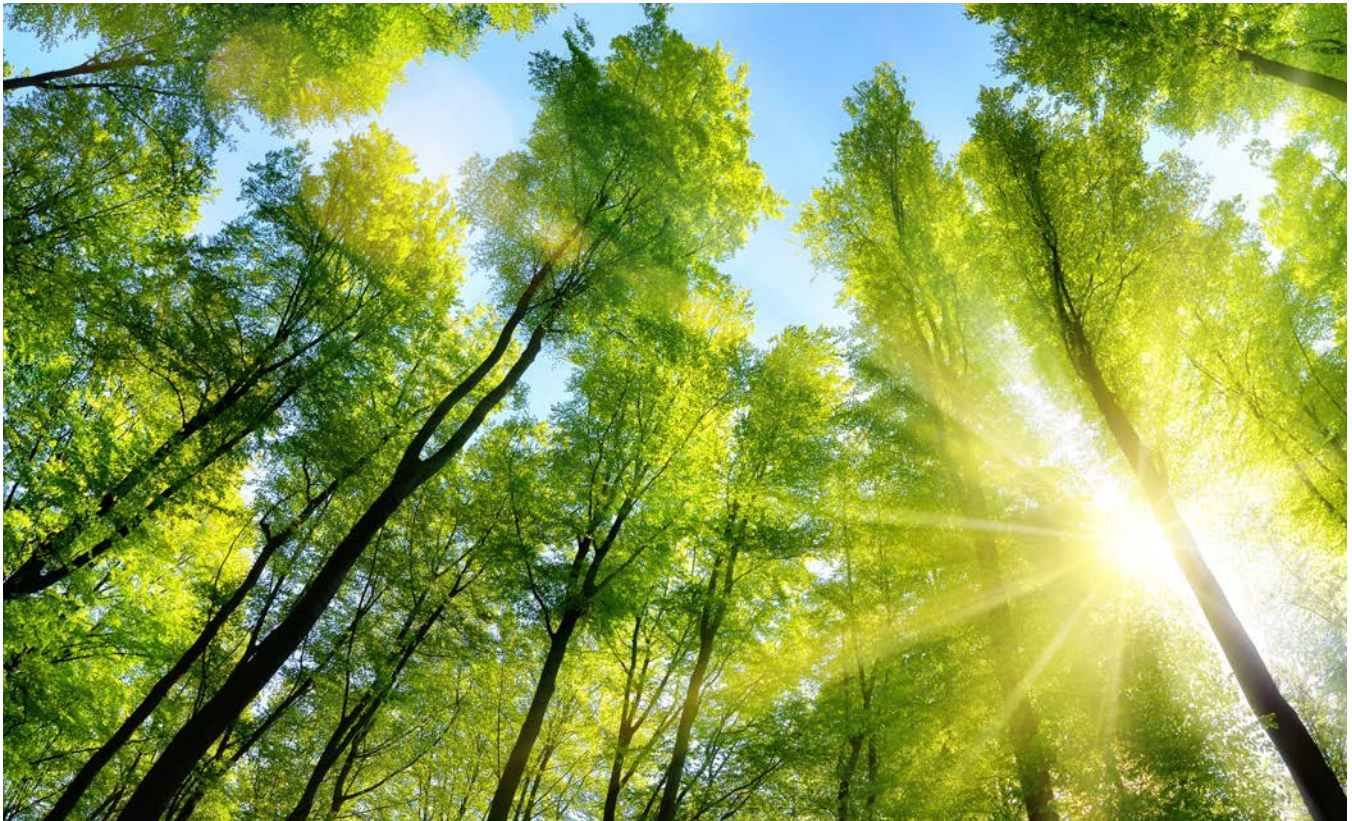
EEI supports climate-related disclosure that meets the needs of investors. EEI and the American Gas Association (AGA) developed an environmental, social, governance, and sustainability (ESG/sustainability) reporting template, with the goal of helping electric and gas companies provide the financial sector with more uniform and consistent ESG/sustainability data and information.

AEP publishes an annual [EEI ESG/Sustainability Report for Investors](#) that includes climate-related data.

EEI provided comments to the U.S. Securities and Exchange Commission (SEC) on the proposed climate financial disclosure rule, which AEP supported.

EEI is an important industry advocate and AEP is an active participant, enabling us to engage in thought leadership, share best practices, and ensure collaboration in the best interest of customers, our company, and the industry.

**ALIGNED WITH AEP'S
POLICY POSITION**



Trade Association **Climate Lobbying Analysis**

GridWise Alliance (GWA)

About

The GridWise Alliance (GWA) is an electric industry group focused on accelerating innovation to support grid modernization. The group does this by developing and advocating for new policy and regulatory ideas and principles that support and enable industry best practices and technology advancements. The group seeks to ensure grid resilience, reliability, and security.

AEP paid its membership fee to GWA in 2022 for the period of November 2022 – October 2023. In 2022, the portion of AEP's membership dues to GWA that was allocated to lobbying activities was \$5,000.

Climate Change Position

While the GWA does not have a specific climate change position statement, it does advocate that a modern grid is the critical infrastructure component of a decarbonized advanced digital economy.

The GWA does not take a position on the Paris Climate Agreement. No stated position on net zero.

Areas of Influence & Alignment

The GWA leverages its members to engage policymakers in Washington D.C., as well as at the state level, to inform their understanding of the transformation of the electricity sector that is underway in the U.S.

The GWA's Policy Council states that its [Guiding Policy Principles](#) are:

- “Overarching principles for grid modernization.
- Promoting innovation and transformation through policies, business and regulatory model changes, and research and development.
- Changing business models and rate structures – utility and customer perspectives.

- Physical and cyber security
- Data and data privacy.”

The work of the GWA aligns with and supports AEP's clean energy strategy and policy priorities.

**ALIGNED WITH AEP'S
POLICY POSITION**

Trade Association **Climate Lobbying Analysis**

National Association of Manufacturers (NAM)

About

The National Association of Manufacturers (NAM) is the largest trade group representing manufacturers in the U.S.

According to NAM, its members represent 79% of Fortune 100 manufacturers and 54% of Fortune 500 manufacturers. 90% of its members are small and medium-sized manufacturers.

AEP is a member of NAM and expects to continue this membership.

In 2021, the portion of AEP's membership dues to NAM that was allocated to lobbying activities was \$17,502. (2022 membership was paid in 2021)

Climate Change Position

The group advocates for federal policy to manage greenhouse gas emissions, rather than a state-by-state approach.

NAM supports an economy-wide approach that applies to all emitters rather than singling out specific sectors.

NAM supports the concept of the Paris Climate Agreement as being directionally correct and supports a binding global climate treaty.

NAM's ['The Promise Ahead'](#) establishes a roadmap for U.S. manufacturers to act on climate change.

No stated position on net-zero.

Areas of Influence & Alignment

NAM represents 14,000 companies in every industrial sector and is an influential advocate for policies that support manufacturers. Its four values stated on its website that drive its advocacy are:

- "Free enterprise
- Competitiveness
- Individual liberty
- Equal opportunity"

Many of AEP's manufacturing customers are members of NAM.

NAM's ['Competing to Win'](#) agenda aligns with AEP's positions on multiple issues, including clean energy, the implementation of federal programs (Infrastructure Investment and Jobs Act, or IIJA; and Creating Helpful Incentives to Produce Semiconductors, or CHIPS), support for a resilient supply chain, tax reform, and environmental permitting reform.

From a climate perspective, AEP's participation in NAM helps us to engage in thought leadership with our peers and customers on the role of manufacturing in enabling the clean energy transition.

Partial Alignment:

NAM supported U.S. withdrawal from the Paris Agreement in 2017 and has argued for various federal regulatory actions that would pull back on federal climate response.

**PARTIALLY ALIGNED WITH
AEP'S POLICY POSITION**

Trade Association **Climate Lobbying Analysis**

Nuclear Energy Institute (NEI)

About

The Nuclear Energy Institute (NEI) is the major policy organization of the nuclear technologies industry.

AEP Executive Vice President of Generation Paul Chodak III serves on the Board of Directors of NEI.

Senior Vice President & Chief Nuclear Officer Shane Lies is a standing member of NEI's

Nuclear Strategic Issues Advisory Committee (NSIAC).

AEP is a member of NEI and expects to continue this membership.

In 2022, the portion of AEP's membership dues to NEI that was allocated to lobbying activities was \$40,004.

Climate Change Position

NEI believes nuclear power plays a pivotal role in decarbonizing the economy and achieving net-zero emissions. Its website states:

"As our largest source of carbon-free energy, nuclear power is critical to reducing greenhouse gas emissions. Wind, solar and geothermal are on the rise, but the smartest policies will ensure these technologies complement, not replace, nuclear's clean energy production. Protecting and growing our use of nuclear technologies

are important ways to dramatically reduce greenhouse gases and help us make meaningful progress to address climate change."

NEI advocates that nuclear power reactors are best suited to be a carbon-free resource that provides 24/7 reliability when renewables and other technologies (e.g., storage) are not available.

NEI supports the U.S. decision to rejoin the Paris Climate Agreement.

Areas of Influence & Alignment

NEI's nuclear energy climate policy priorities are stated as follows:

- "Ensuring continued operation of existing nuclear plants
- Accelerating demonstration and commercialization of new technologies
- Embracing nuclear energy as clean energy to promote increased nuclear exports
- Bold action to fulfill the government's responsibility on nuclear waste."

NEI joined the [United Nations 24/7 Carbon-Free Energy Compact](#), a global group of companies, policymakers, investors and organizations.

AEP owns and operates two nuclear units at the Cook Nuclear Power Plant in Bridgman, Michigan. NEI is an important industry association and advocate for the nuclear power industry; its policy positions align with AEP's.

**ALIGNED WITH AEP'S
POLICY POSITION**

Trade Association **Climate Lobbying Analysis**

National Hydropower Association (NHA)

About

NHA is a nonprofit association dedicated to promoting hydropower as clean renewable energy and an important element to a sustainable and reliable electrical system in North America. NHA also provides insight to proposed or new legislation impacting hydropower and enhances the collaboration and sharing of information within the hydropower industry.

AEP Hydro Asset Manager Robert Gallimore is the lead representative to NHA.

AEP is a member of NHA and expects to continue this membership.

In 2022, the portion of AEP's membership dues to NHA that was allocated to lobbying activities was \$5,865.

Climate Change Position

NHA maintains that hydropower is a "climate-friendly energy source, generating power without producing air pollution or toxic by-products. Using hydropower avoids approximately 225 million metric tons of carbon pollution in the U.S. each year – equal to the output of over 42 million passenger

cars. Communities that rely on hydropower as a primary energy source reap the benefits of cleaner air and water."

NHA states that it "supports state Clean Energy Standards and Renewable Portfolio Standards that include hydropower generation."

Areas of Influence & Alignment

At the federal level, "NHA advocates for legislation to streamline licensing for hydropower, pumped storage, and marine energy, and to provide tax support for existing hydropower resources. NHA also advocates for market and regulatory policies that reflect the contributions hydropower makes to our energy system."

The NHA also states that it "supports a 30% investment tax credit for safety and environmental upgrades at existing hydropower facilities to ensure hydropower can continue providing reliable, renewable energy."

The NHA supports the Inflation Reduction Act, which AEP also supports. While the NHA wanted greater investment tax credit support for existing hydropower, it supports the development of long-duration energy storage (LDES).

AEP operates a fleet of 14 hydro-electric power assets and one pumped storage facility. The NHA is an important industry advocate for issues specific to hydro power. Its policy positions are consistent with AEP's positions.

**ALIGNED WITH AEP'S
POLICY POSITION**

Trade Association **Climate Lobbying Analysis**

National Petroleum Council (NPC)

About

The National Petroleum Council (NPC) is a federally chartered and privately funded advisory committee. Its purpose is to advise, inform, and make recommendations to the Secretary of Energy and the Executive Branch on matters relating to oil and natural gas or to the oil and gas industries.

Executive Chairman Nick Akins represents AEP at the NPC.

In 2022, the portion of AEP's membership dues to the NPC that was allocated to lobbying activities was \$990.

Climate Change Position

The NPC does not have a stated position on climate change.

This group serves in an advisory capacity to the U.S. Department of Energy's Secretary of Energy.

Areas of Influence & Alignment

Because of the group's advisory capacity with the Secretary of Energy, NPC can influence issues that may affect AEP now or in the future.

For example, the NPC has issued research reports on the deployment of carbon capture, use and storage, and deployment of low carbon intensity hydrogen at scale. These issues and the outcome of government engagement and/or funding could affect AEP's clean energy transition.

AEP invests in research and development through the Electric Power Research Institute and technology start-ups in these areas as well.

**ALIGNED WITH AEP'S
POLICY POSITION**



Trade Association **Climate Lobbying Analysis**

U.S. Chamber of Commerce

About

The U.S. Chamber of Commerce is a major business organization that lobbies on behalf of businesses across the United States. Members range in size from small businesses to chambers of commerce and major corporations, and represent all sectors of the economy.

AEP is a member of the U.S. Chamber of Commerce and expects to continue this

membership. Many of AEP's customers are also members of the U.S. Chamber, and it is important to be an engaged member. One of the ways AEP engages with the Chamber is through its ESG Working Group.

In 2022, the portion of AEP's membership dues to the U.S. Chamber that was allocated to lobbying activities was \$105,000.

Climate Change Position

The U.S. Chamber of Commerce states that its position on climate change is that "inaction is not an option."

The Chamber calls for global collaboration to address climate change and acknowledges that humans contribute to the changing climate.

The Chamber supports U.S. participation in the Paris Climate Agreement and the

Biden administration's decision to rejoin the Agreement in 2021.

The Chamber convened a Task Force on Climate Action to serve as a platform for engaging member companies on a range of mechanisms, innovations, and processes that are being employed to tackle climate change.

No stated position on net zero.

Areas of Influence & Alignment

The U.S. Chamber's approach to climate change aligns with AEP's philosophy and position on climate change. The Chamber states its support for the following:

- "A market-based approach to accelerate GHG emissions reductions across the economy.
- Leveraging the power of business to develop, finance, build and operate the solutions needed to power economic growth worldwide, mitigate GHG emissions, and build resilient, lower-carbon infrastructure.
- Maintaining U.S. leadership in climate science.
- Embracing technology and innovation for managing climate risks and reduction of GHG emissions.
- Aggressively pursue energy efficiency on the supply and demand sides.
- Promoting climate resilient infrastructure.
- Encouraging international collaboration between governments and businesses to build the best models to tackle climate challenges, which is why the Chamber supports U.S. participation in the Paris Climate Agreement."

The Chamber's approach to climate change is in line with AEP's belief that an 'all of the above' strategy is paramount to achieving a clean energy economy. The Chamber supports the bipartisan Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA), which AEP also supports.

Partial Alignment:

The Chamber has voiced strong opposition to the Build Back Better Act. This included opposing tax increases and citing the lack of a durable climate policy, among other things. The U.S. Chamber has also taken legal actions to block federal emissions-reduction guidelines, including opposing regulatory actions that would address climate.

**PARTIALLY ALIGNED WITH
AEP'S POLICY POSITION**

Trade Association **Climate Lobbying Analysis**

WIRES

About

WIRES is a trade association that advocates on behalf of transmission investment and solutions to improve reliability, remove barriers to grid modernization, and support cost-effective solutions that enable investment.

WIRES advocates for high voltage transmission as critical to grid resilience and

the ability to integrate renewable resources and electrify transportation.

FERC & RTO Vice President Stacey Burbure serves as president of the WIRES Board of Directors.

Climate Change Position

WIRES takes the position that more investment in transmission is the essential enabler of cleaner energy resources.

WIRES activities support the clean energy transition.

WIRES does not have a formally stated policy on climate change; however its activities support AEP's policy position and decarbonization strategy overall.

Areas of Influence & Alignment

WIRES states on its website that it "advocates for federal, regional, and state policies that support investment in transmission infrastructure to support economic growth, technological advancement, and consumer benefits. This includes investing in transmission to enable renewable energy generation and support the ability of states to meet their clean energy mandates."

WIRES focuses most of its activities on informing regulators and policymakers and advocating for innovation in multiple forums.

The group advocates for streamlined siting and permitting of transmission

infrastructure to help lessen the impacts of transmission on historically disadvantaged communities, including those that have been disproportionately impacted. This aligns with AEP's position and its policy on environmental and social justice.

As the nation's largest owner/operator of transmission, AEP supports the work of WIRES and is actively engaged in this organization.

**PARTIALLY ALIGNED WITH
AEP'S POLICY POSITION**

Resources

American Clean Power Association

[About the American Clean Power Association | ACP](#)
[U.S. Renewable Energy Policy Priorities | ACP](#)
[\(cleanpower.org\)](#)

Business Roundtable

Addressing Climate Change Report: [Business-Roundtable AddressingClimateChangeReport.September2020.pdf](#)

Edison Electric Institute

About EEI — [About | \(eei.org\)](#)
[Clean Energy | \(eei.org\)](#)
[COP27 | \(eei.org\)](#)

GridWise Alliance

[About GridWise Alliance - GridWise Alliance](#)
[Policy principles: GWA_17_GridModernizationPrinciples_Final_February_17.pdf \(gridwise.org\)](#)

National Association of Manufacturers

Press Release: [Timmons: Climate Change Is an Issue Our Generation Must Tackle | NAM](#)
Press Release: [Energy | NAM](#)
Report: [The-Promise-Ahead.pdf \(nam.org\)](#)
Report: [Competing to Win July 2022 .indd \(nam.org\)](#)

Nuclear Energy Institute

[Build a Carbon-free Future \(nei.org\)](#)
Fact Sheet: [decarbonizing-our-economy-nuclear-energy-priorities-NEI-042321.pdf](#)

National Hydropower Association (NHA)

[Key Policies for Waterpower - National Hydropower Association](#)
[FAQ - National Hydropower Association](#)
[NHA CEO STATEMENT ON SENS. MANCHIN/SCHUMER AGREEMENT ON CLEAN ENERGY BILL - National Hydropower Association](#)
[NY Times Letter to the Editor: Hydropower Is a Climate Solution - National Hydropower Association](#)

National Petroleum Council

[The National Petroleum Council - An Oil and Natural Gas Advisory Committee to the Secretary of Energy \(npc.org\)](#)

U.S. Chamber of Commerce

[About the U.S. Chamber of Commerce | U.S. Chamber of Commerce \(uschamber.com\)](#)
[Climate Change | U.S. Chamber of Commerce \(uschamber.com\)](#)

Wires

[The Voice of the North American Transmission Industry - Wires Group](#)
[About - Wires Group](#)
[Our Members - Wires Group](#)

State-by-State Goals

[State Renewable Portfolio Standards and Goals \(ncsl.org\)](#)

C2es: [U.S. State Greenhouse Gas Emissions Targets - Center for Climate and Energy SolutionsCenter for Climate and Energy Solutions \(c2es.org\)](#)

Other references

The Paris Climate Agreement — [The Paris Agreement | United Nations](#)



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