

# Rate Base and ROEs

## Vertically Integrated Utilities

Jurisdiction	Rate Base Proxy as of 12/31/2021 <sup>1</sup> (\$ millions)	Operating Earned ROE <sup>2</sup> as of 9/30/2022	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Rate Case
APCo – Virginia <sup>3</sup>			9.2%	50/50	10/1/2022
APCo – West Virginia/WPCo			9.75%	49.84/50.16	3/6/2019
APCo – FERC			9.82%	52/48	1/1/2017
APCo/WPCo Total	\$10,390	8.7%			
KGPCo – Tennessee			9.50%	51.1/48.9	8/8/2022
KGPCo – Tennessee Total	\$ 180	9.5%			
I&M – Indiana			9.70%	50/50	2/23/2022
I&M – Michigan			9.86%	53.44/46.56	2/1/2020
I&M – FERC			9.57%	49/51	1/1/2017
I&M Total	\$ 6,217	10.4%			
PSO – Distribution/Generation			9.40%	47/53	2/1/2022
PSO – Oklahoma Total	\$ 4,552	6.9%			
SWEPCO – Louisiana			9.80% <sup>4</sup>	52.8/47.2	5/1/2017
SWEPCO – Arkansas			9.50%	55.5/44.5	7/1/2022
SWEPCO – Texas			9.25%	50.6/49.4	3/18/2021
SWEPCO – FERC			10.1%-11.1%	52/48	1/1/2017
SWEPCO Total	\$ 6,680	8.9%			

## Transmission and Distribution Utilities

Jurisdiction	Rate Base Proxy as of 12/31/2021 <sup>1</sup> (\$ millions)	Operating Earned ROE <sup>2</sup> as of 9/30/2022	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Rate Case
AEP Ohio – Distribution			9.70%	45.6/54.4	12/1/2021
AEP Ohio – Transmission			10.35% <sup>5</sup>	45/55	1/1/2018
AEP Ohio Total	\$ 6,294	10.1%			
AEP Texas – Transmission/Distribution			9.40%	57.5/42.5	5/29/2020
AEP Texas Total	\$ 8,667	8.7%			

## Transcos

Company	Rate Base Proxy as of 12/31/2021 <sup>1</sup> (\$ millions)	Operating Earned ROE <sup>2</sup> as of 9/30/2022	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Formula Rate Filing
AEP Appalachian Transco	\$ 95	11.4%	10.35% <sup>5</sup>	45/55	01/01/2018
AEP Ohio Transco	\$ 4,313	9.8%	10.35% <sup>5</sup>	45/55	01/01/2018
AEP Indiana Michigan Transco	\$ 2,986	10.2%	10.35% <sup>5</sup>	45/55	01/01/2018
AEP West Virginia Transco	\$ 1,837	10.1%	10.35% <sup>5</sup>	45/55	01/01/2018
AEP Oklahoma Transco	\$1,108	11.1%	10.50% <sup>6</sup>	Actuals	01/01/2019

Note: Chart excludes AEG's Rockport plant investment. AEG sells capacity and energy to I&M and KPCo under a PPA. Chart excludes Kentucky operations due to sale expected to close in January 2023.

<sup>1</sup> Rate base represents Net Utility Plant plus Regulatory Assets less Net Accumulated Deferred Income Taxes and less Regulatory Liabilities.

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

<sup>3</sup> In August 2022, commission issued a revised order to adjust the 2017-2019 VA triennial rate pursuant to VA Supreme Court ruling in APCo's favor.

<sup>4</sup> Represents the midpoint of the ROE range approved in the formula rate case settled in April 2017.

<sup>5</sup> For AEP's East Transmission Companies, represents a 9.85% base ROE plus 50 BPS RTO adder.

<sup>6</sup> For AEP's West Transmission Company, represents a 10.0% base ROE plus 50 BPS RTO adder.