

Rate Base and ROEs

Vertically Integrated Utilities

Jurisdiction	Rate Base Proxy as of 12/31/2022 ¹ (\$ millions)	Operating Earned ROE ² as of 3/31/2023	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Rate Case
APCo – Virginia			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	\$11,607	8.5%			
KgPCo – Tennessee			9.50%	51.1/48.9	8/8/2022
KgPCo – Tennessee Total	\$ 231	11.1%			
KPCo – Distribution/Generation			9.3%	53.7/3.0/43.3 ³	1/14/2021
KPCo – FERC			10.07%	56.5/43.5	1/1/2017
KPCo Total	\$2,446	2.9%			
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	\$ 6,334	11.3%			
PSO – Distribution/Generation			9.40%	47/53	2/1/2022
PSO – Oklahoma Total	\$ 5,003	6.7%			
SWEPCO – Louisiana			9.50%	49/51	1/31/2023
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	\$ 7,839	7.8%			

Transmission and Distribution Utilities

Jurisdiction	Rate Base Proxy as of 12/31/2022 ¹ (\$ millions)	Operating Earned ROE ² as of 3/31/2023	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			9.85% ⁶	45/55	1/1/2018
AEP Ohio Total	\$ 6,838	9.3%			
AEP Texas – Transmission/Distribution			9.40%	57.5/42.5	5/29/2020
AEP Texas Total	\$ 9,674	7.4%			

Transcos

Company	Rate Base Proxy as of 12/31/2022 ¹ (\$ millions)	Operating Earned ROE ² as of 3/31/2023	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Formula Rate Filing
AEP Appalachian Transco	\$ 104	14.3%	10.35% ⁴	45/55	1/1/2018
AEP Ohio Transco	\$ 4,736	9.9%	9.85% ⁶	45/55	1/1/2018
AEP Kentucky Transco	\$146	10.9%	10.35% ⁴	45/55	1/1/2018
AEP Indiana Michigan Transco	\$ 3,189	10.4%	10.35% ⁴	45/55	1/1/2018
AEP West Virginia Transco	\$ 2,149	9.9%	10.35% ⁴	45/55	1/1/2018
AEP Oklahoma Transco	\$1,249	10.7%	10.50% ⁵	Actuals	1/1/2019

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

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

³ Approved Debt/AR/Equity.

⁴ For AEP's East Transmission Companies, represents a 9.85% base ROE plus 50 BPS RTO adder.

⁵ For AEP's West Transmission Company, represents a 10.0% base ROE plus 50 BPS RTO adder.

⁶ For AEP Ohio transmission, represents base ROE only.