



# Rate Base and ROE's

## Vertically Integrated Utilities operating ROE's as of 6/30/2024

<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> Capital structure is 50%D / 50%E in 2024 with the ability to adjust the structure to 48.8%D / 51.2%E in 2025.

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

Jurisdiction	Rate Base Proxy as of 12/31/2023 <sup>1</sup> (\$ millions)	Operating Earned ROE <sup>2</sup> as of 6/30/2024	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Rate Case
APCo – Virginia			9.5%	51.7/48.3	1/29/2024
APCo – West Virginia/WPCo			9.75%	49.8/50.2	3/6/2019
APCo – FERC			11.2%	52/48	1/1/2017
<b>APCo/WPCo Total</b>	<b>\$12,122</b>	<b>7.5%</b>			
KGPCo – Tennessee			9.50%	51.1/48.9	8/8/2022
<b>KGPCo – Tennessee Total</b>	<b>\$ 230</b>	<b>10.3%</b>			
KPCo – Distribution/Generation			9.75%	58.8/41.2	1/16/2024
KPCo – FERC			11.05%	56.5/43.5	1/1/2017
<b>KPCo Total</b>	<b>\$2,320</b>	<b>4.5%</b>			
I&M – Indiana			9.85%	50/50 <sup>3</sup>	5/28/2024
I&M – Michigan			9.86%	52/48	7/15/2024
I&M – FERC			10.95%	49/51	1/1/2017
<b>I&amp;M Total</b>	<b>\$ 6,505</b>	<b>9.0%</b>			
PSO – Distribution/Generation			9.3%	48/52	6/01/23
<b>PSO – Oklahoma Total</b>	<b>\$ 5,316</b>	<b>8.5%</b>			
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			10.46%	52/48	1/1/2017
<b>SWEPCO Total</b>	<b>\$ 8,025</b>	<b>8.0%</b>			



# Rate Base and ROE's

**T&D Utilities and Transcos operating ROE's as of 6/30/2024**

<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> For AEP Ohio transmission, represents base ROE only.

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

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

## Transmission and Distribution Utilities

Jurisdiction	Rate Base Proxy as of 12/31/2023 <sup>1</sup> (\$ millions)	Operating Earned ROE <sup>2</sup> as of 6/30/2024	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% <sup>3</sup>	45/55	1/1/2018
AEP Ohio Total	\$ 7,652	9.0%			
AEP Texas – Transmission/Distribution			9.40%	57.5/42.5	5/29/2020
AEP Texas Total	\$ 10,667	9.3%			

## Transcos

Company	Rate Base Proxy as of 12/31/2023 <sup>1</sup> (\$ millions)	Operating Earned ROE <sup>2</sup> as of 6/30/2024	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Formula Rate Filing
AEP Appalachian Transco	\$ 122	12.4%	10.35% <sup>4</sup>	45/55	1/1/2018
AEP Ohio Transco	\$ 5,093	9.8%	9.85% <sup>3</sup>	45/55	1/1/2018
AEP Kentucky Transco	\$144	9.9%	10.35% <sup>4</sup>	45/55	1/1/2018
AEP Indiana Michigan Transco	\$ 3,376	10.2%	10.35% <sup>4</sup>	45/55	1/1/2018
AEP West Virginia Transco	\$ 2,404	11.2%	10.35% <sup>4</sup>	45/55	1/1/2018
AEP Oklahoma Transco	\$1,436	11.1%	10.50% <sup>5</sup>	Actuals	1/1/2019