

An aerial photograph of a white wind turbine in the foreground, with its blades extending across the frame. The background features a vast green agricultural field, a red barn, and a distant body of water under a cloudy sky.

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“Safe Harbor” Statement Under the Private Securities Litigation Reform Act of 1995

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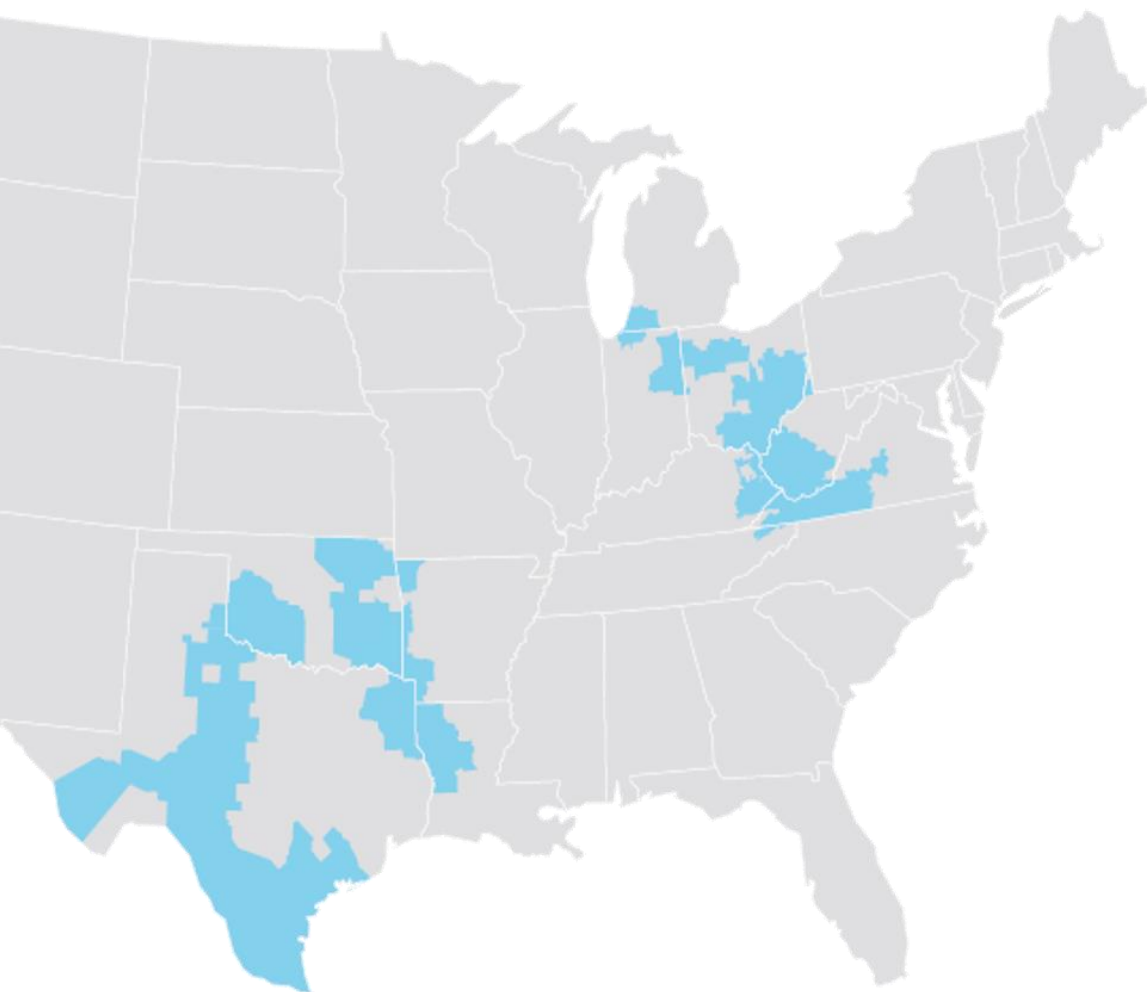
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This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. Although AEP and each of its Registrant Subsidiaries believe that their expectations are based on reasonable assumptions, any such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Among the factors that could cause actual results to differ materially from those in the forward-looking statements are: changes in economic conditions, electric market demand and demographic patterns in AEP service territories, the impact of pandemics and any associated disruption of AEP’s business operations due to impacts on economic or market conditions, costs of compliance with potential government regulations and employees’ reactions to those regulations, electricity usage, supply chain issues, customers, service providers, vendors and suppliers, the economic impact of escalating global trade tensions including the conflict between Russia and Ukraine, and the adoption or expansion of economic sanctions or trade restrictions, inflationary or deflationary interest rate trends, volatility in the financial markets, particularly developments affecting the availability or cost of capital to finance new capital projects and refinance existing debt, the availability and cost of funds to finance working capital and capital needs, particularly (i) if expected sources of capital, such as proceeds from the sale of assets or subsidiaries, do not materialize, and (ii) during periods when the time lag between incurring costs and recovery is long and the costs are material, decreased demand for electricity, weather conditions, including storms and drought conditions, and the ability to recover significant storm restoration costs, the cost of fuel and its transportation, the creditworthiness and performance of fuel suppliers and transporters and the cost of storing and disposing of used fuel, including coal ash and spent nuclear fuel, the availability of fuel and necessary generation capacity and performance of generation plants, the ability to recover fuel and other energy costs through regulated or competitive electric rates, the ability to transition from fossil generation and the ability to build or acquire renewable generation, transmission lines and facilities (including the ability to obtain any necessary regulatory approvals and permits) when needed at acceptable prices and terms, including favorable tax treatment, and to recover those costs, new legislation, litigation and government regulation, including changes to tax laws and regulations, oversight of nuclear generation, energy commodity trading and new or heightened requirements for reduced emissions of sulfur, nitrogen, mercury, carbon, soot or particulate matter and other substances that could impact the continued operation, cost recovery and/or profitability of generation plants and related assets, the impact of federal tax legislation on results of operations, financial condition, cash flows or credit ratings, the risks before, during and after generation of electricity associated with the fuels used or the byproducts and wastes of such fuels, including coal ash and spent nuclear fuel, timing and resolution of pending and future rate cases, negotiations and other regulatory decisions, including rate or other recovery of new investments in generation, distribution and transmission service and environmental compliance, resolution of litigation, the ability to constrain operation and maintenance costs, prices and demand for power generated and sold at wholesale, changes in technology, particularly with respect to energy storage and new, developing, alternative or distributed sources of generation, the ability to recover through rates any remaining unrecovered investment in generation units that may be retired before the end of their previously projected useful lives, volatility and changes in markets for coal and other energy-related commodities, particularly changes in the price of natural gas, changes in utility regulation and the allocation of costs within regional transmission organizations, including ERCOT, PJM and SPP, changes in the creditworthiness of the counterparties with contractual arrangements, including participants in the energy trading market, actions of rating agencies, including changes in the ratings of debt, the impact of volatility in the capital markets on the value of the investments held by the pension, other postretirement benefit plans, captive insurance entity and nuclear decommissioning trust and the impact of such volatility on future funding requirements, accounting standards periodically issued by accounting standard-setting bodies, and other risks and unforeseen events, including wars and military conflicts, the effects of terrorism (including increased security costs), embargoes, naturally occurring and human-caused fires, cyber security threats and other catastrophic events, the ability to attract and retain requisite work force and key personnel.



AEP Is a Pure Play Regulated Utility



40k
TRANSMISSION MILES
Nation's largest electric transmission system

224k
DISTRIBUTION MILES
One of the largest distribution systems in the U.S.

26GW
OWNED GENERATION
Diverse generation fleet

\$91B
TOTAL ASSETS
Strong balance sheet

\$56B
RATE BASE
As of December 31, 2021

\$45B
CURRENT MARKET CAPITALIZATION
As of November 4, 2022

17,000
EMPLOYEES
Across the system

5.5M
CUSTOMERS
Throughout 11 states

Statistics are as of September 30, 2022 except for rate base and market capitalization; data on this page currently includes Kentucky operations until sale closes in January 2023.



Strategic Vision and Execution

ZERO HARM

STRONG, DIVERSE & INCLUSIVE CULTURE

6%-7% PER YEAR EPS GROWTH

OPERATIONAL EXCELLENCE

STRATEGIC PILLAR

AFFORDABLE

Enable equitable access to affordable and reliable electricity

CUSTOMER & COMMUNITY CENTRIC GROWTH

Expand investments and service offerings

CLEAN & RELIABLE

Lead the transformation to a clean energy economy through a grid utilizing zero carbon resources in an economically responsible manner

ADVANCE & ACHIEVE

Advance how we work to drive financial and operational excellence; empower teams to integrate technologies, analytics and risk mitigation tools for the benefit of our customers and communities

ENGAGE

Be a great place to work; inclusive and high performing culture; opportunity and growth; organization alignment and performance

STRATEGIC PRIORITIES

- Be an industry leader in cost efficiency while prioritizing spending appropriately to ensure safe and reliable service
- Grow our business while keeping rates at or below regional average and competing technologies
- Demonstrate the value received from our service and evolve rate design to recognize differences in our customers

- Position AEP service territory more competitively (locations/rates/time to serve) to increase economic development and job growth
- Diversify our asset base and service offerings
- Advance electrification of the economy
- Maximize federal and state funding opportunities for infrastructure investment

- Transition to zero carbon reliable generation mix
- Build the transmission system of the future to facilitate the interconnection of zero carbon resources across and in between our regions
- Plan and develop the distribution system of the future to support electrification and integration of distributed loads and sources

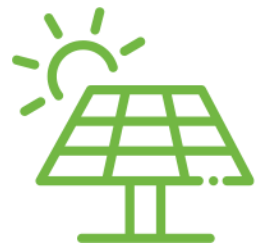
- Simplify our organizational design and align decisions rights with accountability
- Drive cross functional optimization in our work, invest and focus on our core competencies, and leverage outside expertise for non-core skillsets
- Leverage technology and data to drive efficiency, quality and improved decision making

- Build and sustain a culture that embraces authenticity at work; foster a highly engaged, safe, inclusive work environment promoting employee well-being
- Equip the organization with effective goal planning, development planning and performance management processes, and support to ensure employees are invested in and understand their link to AEP's overall success
- Create a continuous learning culture through expanded access to learning paths for all employees
- Develop and support leaders to excel in talent management, succession and development planning to effectively leverage the workforce

Stakeholder Commitments



**6%-7% Annual
Operating Earnings
Growth**



**New ESG Goal of
Net Zero by 2045**



**Dividend Growth In-line with
Earnings Growth and Targeted
Payout Ratio of 60%-70%**



**Customer Care: Commitment to
Identification and Realization of
Efficiencies to Keep Customer Rates
Affordable**



**Strong Balance Sheet
with a Target FFO/Debt
of 14%-15%**



**Active Management of the AEP
Portfolio with the Primary Objective
to De-risk and Simplify Our
Business**



Strong Return Proposition

Steady and Predictable Growth

Consistent Dividends

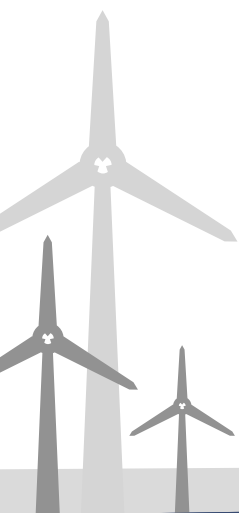
Strong Balance Sheet

Low Risk, Regulated Assets

Robust Electric Infrastructure
Investment Pipeline

Incentive Compensation Tied to EPS
Results, Total Shareholder Return
and Environmental Goals

Organic growth opportunities
in renewables and wires
significantly extend 6%-7%
runway



\$4.97 - \$5.07

UPDATED 2022 OPERATING EARNINGS
GUIDANCE RANGE

Narrowed 2022 Operating Guidance Range

Raised Midpoint to \$5.02

\$5.19 - \$5.39

2023 OPERATING EARNINGS
GUIDANCE RANGE

2022 EPS Original Midpoint \$4.97

+ 6.5% EPS Growth

2023 EPS Midpoint \$5.29

9% - 10%

TOTAL SHAREHOLDER RETURN

Dividend Yield 3%

EPS Growth 6%-7%





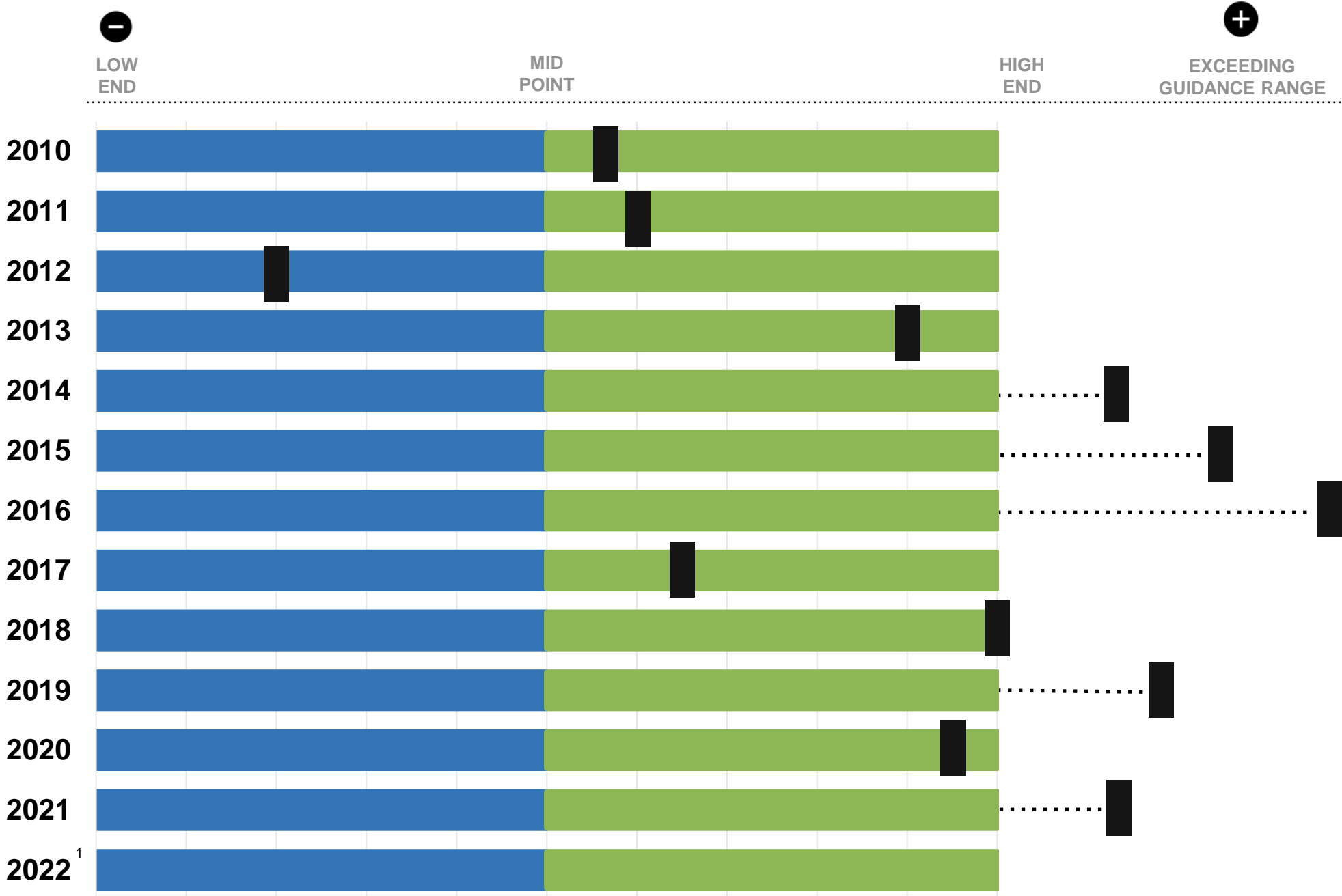
Proven Track Record of EPS Performance

Over a decade of meeting
or exceeding original EPS
guidance

¹ 2022 original operating EPS guidance was \$4.87-\$5.07. In October 2022, guidance was narrowed to \$4.97-\$5.07, raising midpoint to \$5.02.

 Actual Result

Actual operating EPS in comparison
to original EPS guidance range

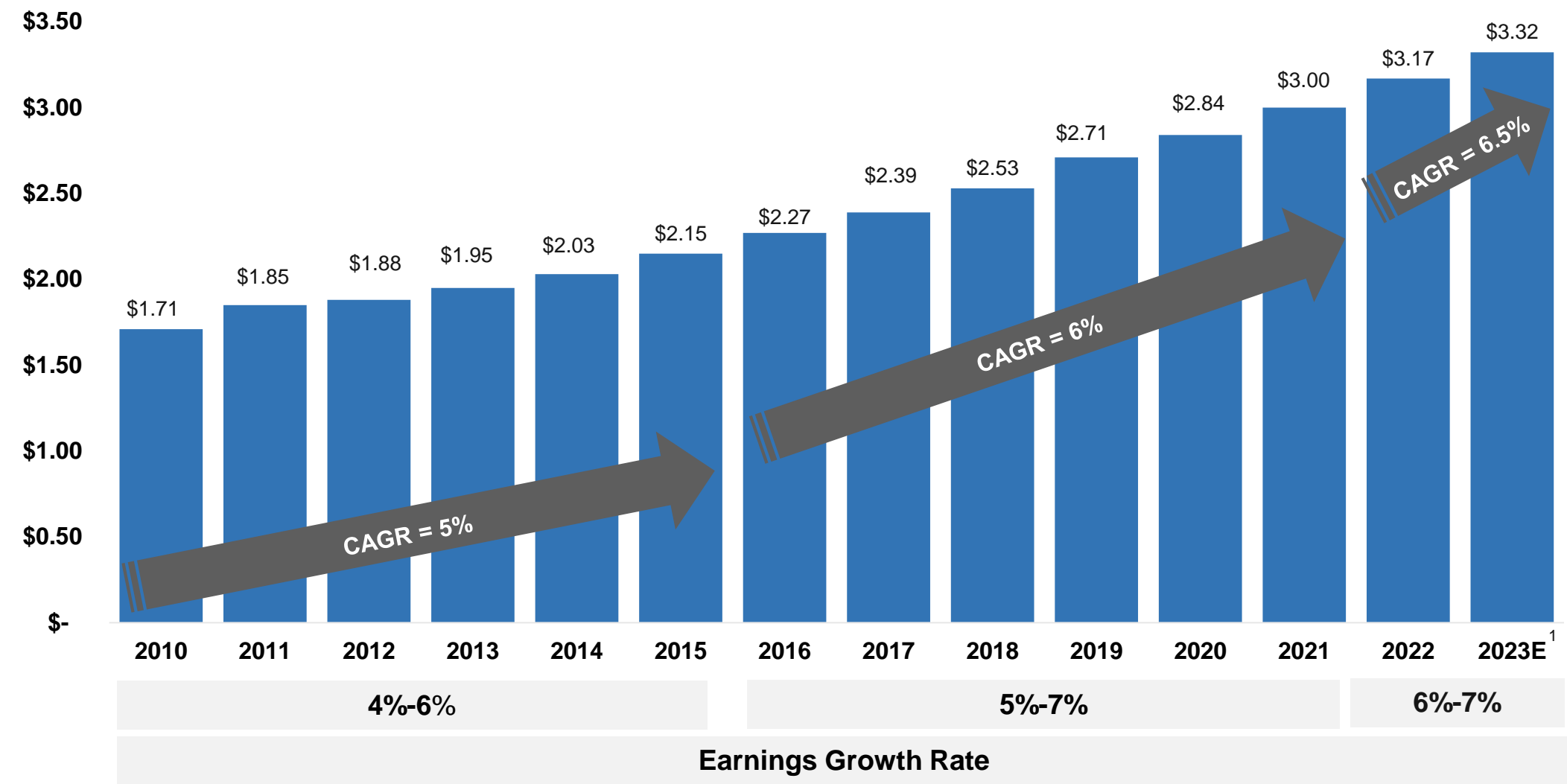




Strong Dividend Growth

- Targeted payout ratio 60-70% of operating earnings
- Over 112 years of consecutive quarterly dividends
- Targeted dividend growth in line with earnings

¹ Dividends per share remain constant until approved by Board of Directors.



EPS Growth + Dividend Yield = 9% to 10% Annual Return Opportunity



Positioning for the Future

Inflation Reduction Act (IRA) Quick Takeaways

2023-2027 Capital Forecast

Shift to Wires and Renewables

2023-2027 Cash Flows and Financial Metrics

Rate Base Growth

Efficient Cost Recovery Mechanisms



IRA Quick Takeaways

1

Poised to Deliver Significant Benefits for Our Customers

- Extension and modification of renewable energy tax credits and inclusion of nuclear Production Tax Credit (PTC) supports our customers desire for an affordable and reliable clean energy transition
- Incentives for electrification and domestic manufacturing support economic growth in our regions

2

Improves Opportunity for Utility-Scale Ownership Providing Further Value to Customers

- Supports efficient monetization of tax credits for our customers, including option to utilize PTCs for solar investments and transferability of credits

3

Book Minimum Tax (BMT) Begins in 2023 and We Expect to Maintain Our Target FFO/Debt of 14%-15%

- Applicable to corporations with financial statement income in excess of \$1B
- Expect adjustments to financial statement income for accelerated tax depreciation
- Plan to use credit carryforwards plus the generation of new tax credits to offset BMT

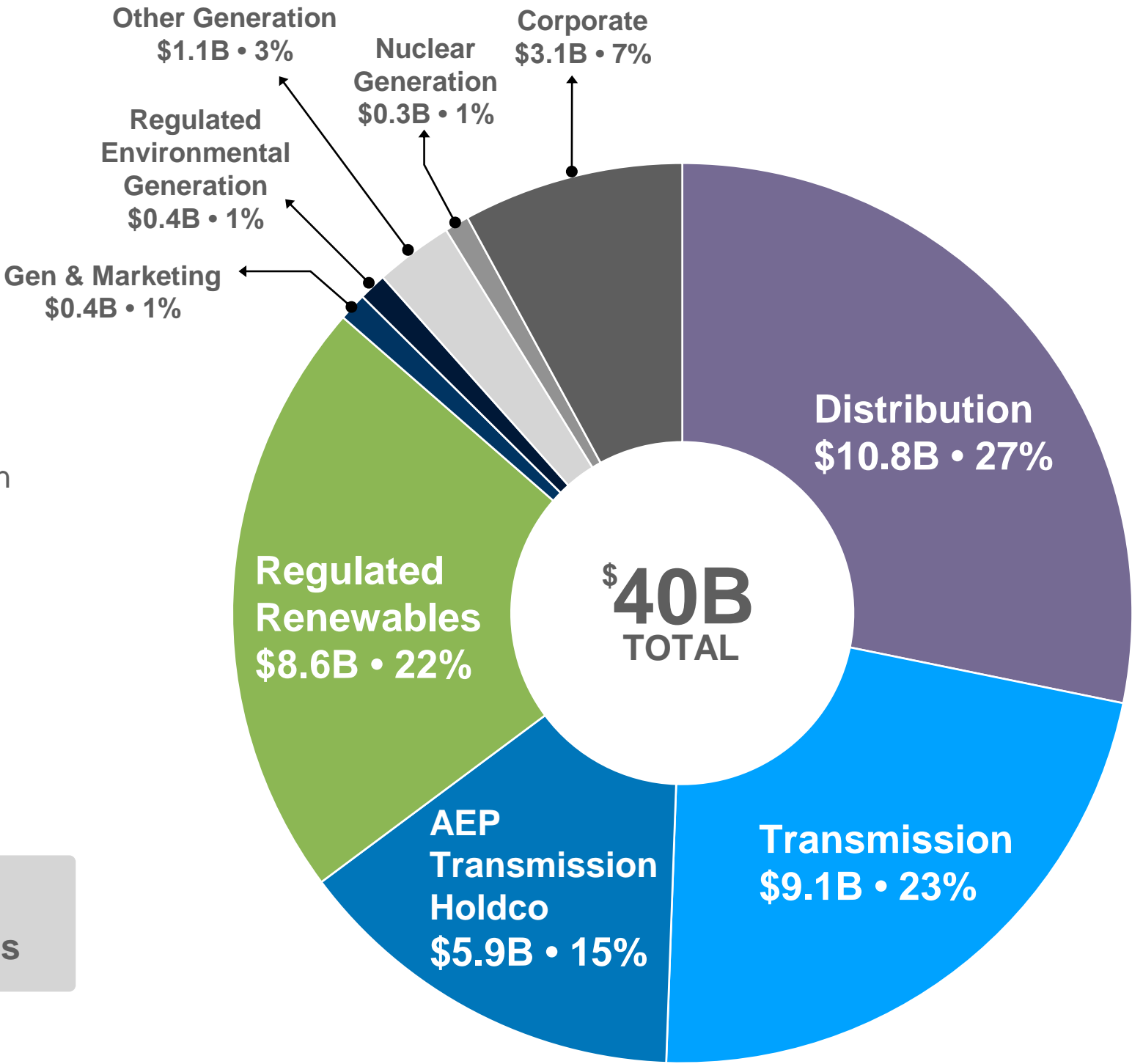


2023-2027 Capital Forecast of \$40B

The ability to quickly redeploy transmission and distribution investment ensures we maintain capital spend while mitigating customer bill impact

On a system average, we expect rates to go up approximately 4% annually over the forecasted period

Capital forecast emphasizes investment in wires and renewables



99%
of capital allocated to regulated businesses

\$26B 65%
allocated to wires

\$9B 22%
allocated to regulated renewables

7.6%
resulting rate base CAGR



2023-2027 Capital Forecast by Subsidiary

Capital plans are continuously optimized which may result in redeployment between functions and companies.

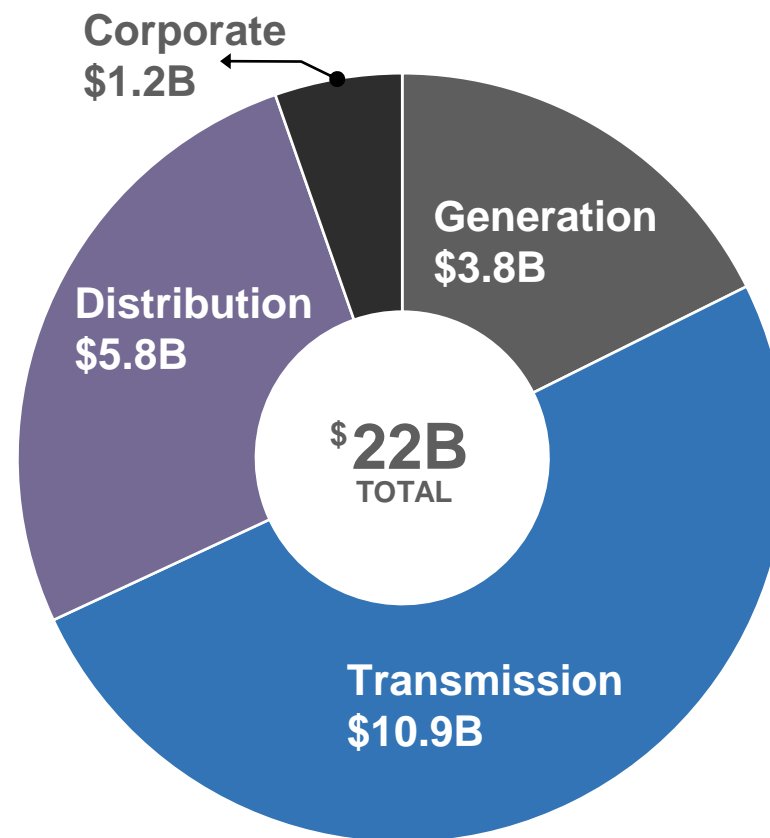
\$ in millions, excludes AFUDC	2023E	2024E	2025E	2026E	2027E	Total
Appalachian Power Company	\$ 1,118	\$ 2,011	\$ 1,523	\$ 1,188	\$ 843	\$ 6,683
Wheeling Power Company	\$ 135	\$ 49	\$ 42	\$ 47	\$ 42	\$ 315
Kingsport Power Company	\$ 40	\$ 36	\$ 35	\$ 36	\$ 21	\$ 168
Indiana Michigan Power Company	\$ 580	\$ 518	\$ 1,026	\$ 1,029	\$ 491	\$ 3,644
AEP Ohio	\$ 962	\$ 1,046	\$ 909	\$ 904	\$ 924	\$ 4,745
Public Service Company of Oklahoma	\$ 564	\$ 1,399	\$ 1,243	\$ 491	\$ 945	\$ 4,642
Southwestern Electric Power Company	\$ 696	\$ 1,083	\$ 2,538	\$ 1,024	\$ 955	\$ 6,296
AEP Texas Company	\$ 1,318	\$ 1,464	\$ 1,371	\$ 1,386	\$ 1,301	\$ 6,840
AEP Generating Company	\$ 24	\$ 8	\$ 10	\$ 10	\$ 8	\$ 60
AEP Transmission Holdco	\$ 1,310	\$ 1,225	\$ 964	\$ 1,107	\$ 1,247	\$ 5,853
Generation & Marketing	\$ 70	\$ 77	\$ 72	\$ 76	\$ 104	\$ 399
Other	\$ 30	\$ 27	\$ 15	\$ 15	\$ 4	\$ 91
Total Capital and Equity Contributions	\$ 6,847	\$ 8,943	\$ 9,748	\$ 7,313	\$ 6,885	\$ 39,736

Shift to Wires and Renewables

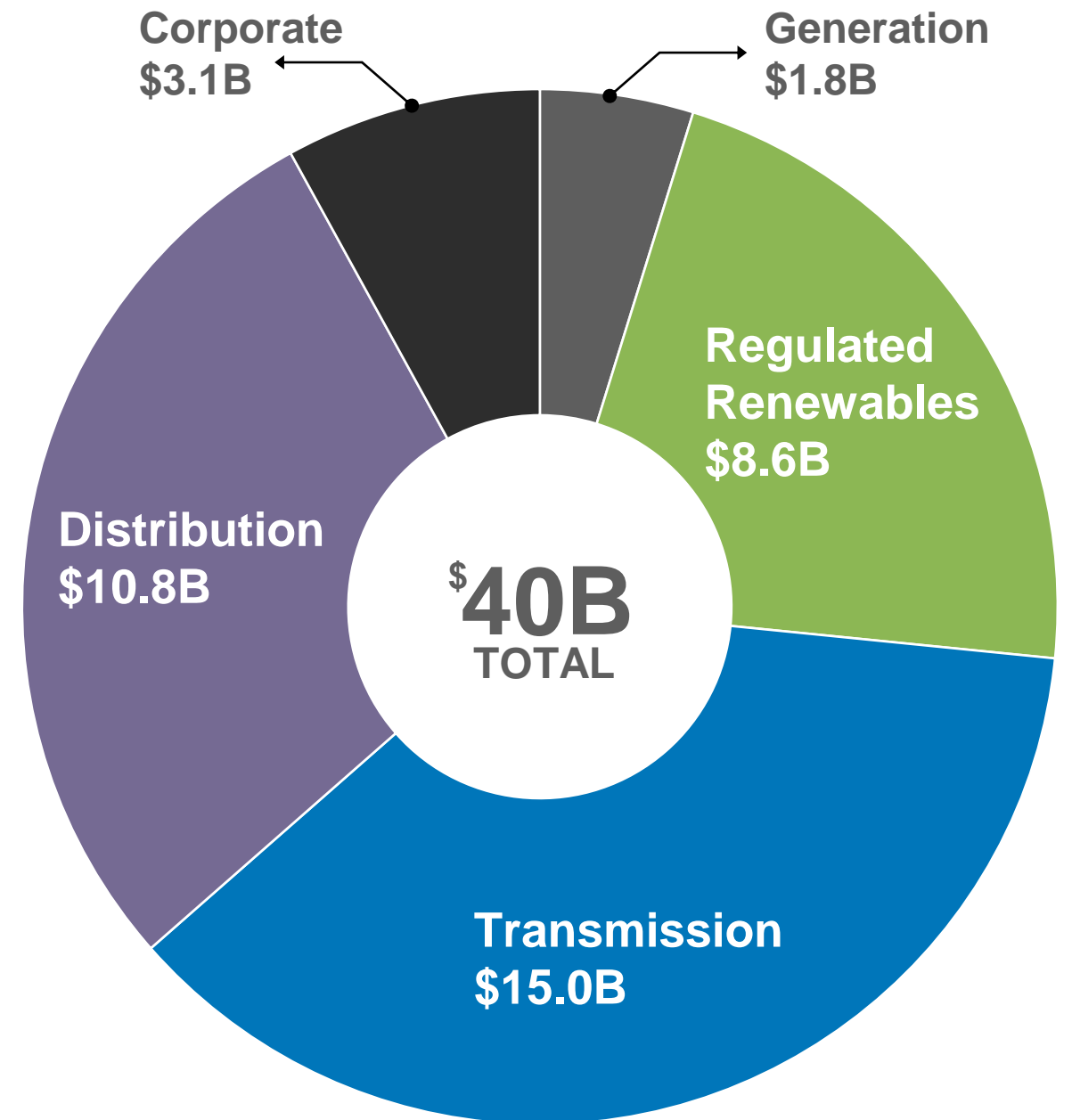
~90% of future investment
is in wires and renewable
generation

For comparative purposes, data excludes
Kentucky-related capital.

**2013-2017
Regulated Capital**



**2023-2027 Regulated
Capital Forecast**





2023-2027 Cash Flows and Financial Metrics

Cash proceeds related to the sale of unregulated contracted renewable assets and other future sales are not included, all of which will be used to responsibly eliminate equity while maintaining a strong balance sheet

\$ in millions	2022E	2023E	2024E	2025E	2026E	2027E
Cash from Operations	\$ 5,400	\$ 6,000	\$ 6,400	\$ 6,900	\$ 7,100	\$ 7,700
Net Cash Proceeds from Sale of Assets	200	1,200 ¹	-	-	-	-
Capital and JV Equity Contributions ²	(7,800)	(6,800)	(8,900)	(9,700)	(7,300)	(6,900)
Other Investing Activities	100	(300)	(300)	(300)	(300)	(300)
Common Dividends ³	(1,600)	(1,600)	(1,700)	(1,700)	(1,700)	(1,700)
Required Capital	\$ (3,700)	\$ (1,500)	\$ (4,500)	\$ (4,800)	\$ (2,200)	\$ (1,200)
Financing						
Required Capital	\$ (3,700)	\$ (1,500)	\$ (4,500)	\$ (4,800)	\$ (2,200)	\$ (1,200)
Long-term Debt Maturities	(2,800)	(2,500)	(1,500)	(2,200)	(1,500)	(900)
Securitization Amortizations	(100)	(200)	(200)	(100)	(100)	(100)
Equity Units Conversion	805	850	-	-	-	-
Equity Issuances – Includes DRP	-	100	600	700	700	700
Debt Capital Market Needs (New)	\$ (5,795)	\$ (3,250)	\$ (5,600)	\$ (6,400)	\$ (3,100)	\$ (1,500)
Financial Metrics						
Debt to Capitalization (GAAP)	Approximately 60%					
FFO/Total Debt (Moody's)	14%-15% Target Range					

¹ Cash proceeds to Parent of \$1.2B in 2023 all relates to sale of Kentucky operations. Proceeds are net of Kentucky indebtedness, tax and transaction costs and adjusted for residual pay-down of Parent debt.

² Capital investments in 2022 include approximately \$1.3B for North Central Wind – Traverse project.

³ Dividends per share remain constant until approved by Board of Directors. Dividends evaluated by Board of Directors each quarter, stated target payout ratio range is 60%-70% of operating earnings. Targeted dividend growth in-line with earnings.

Actual cash flows will vary by company and jurisdiction based on regulatory outcomes.



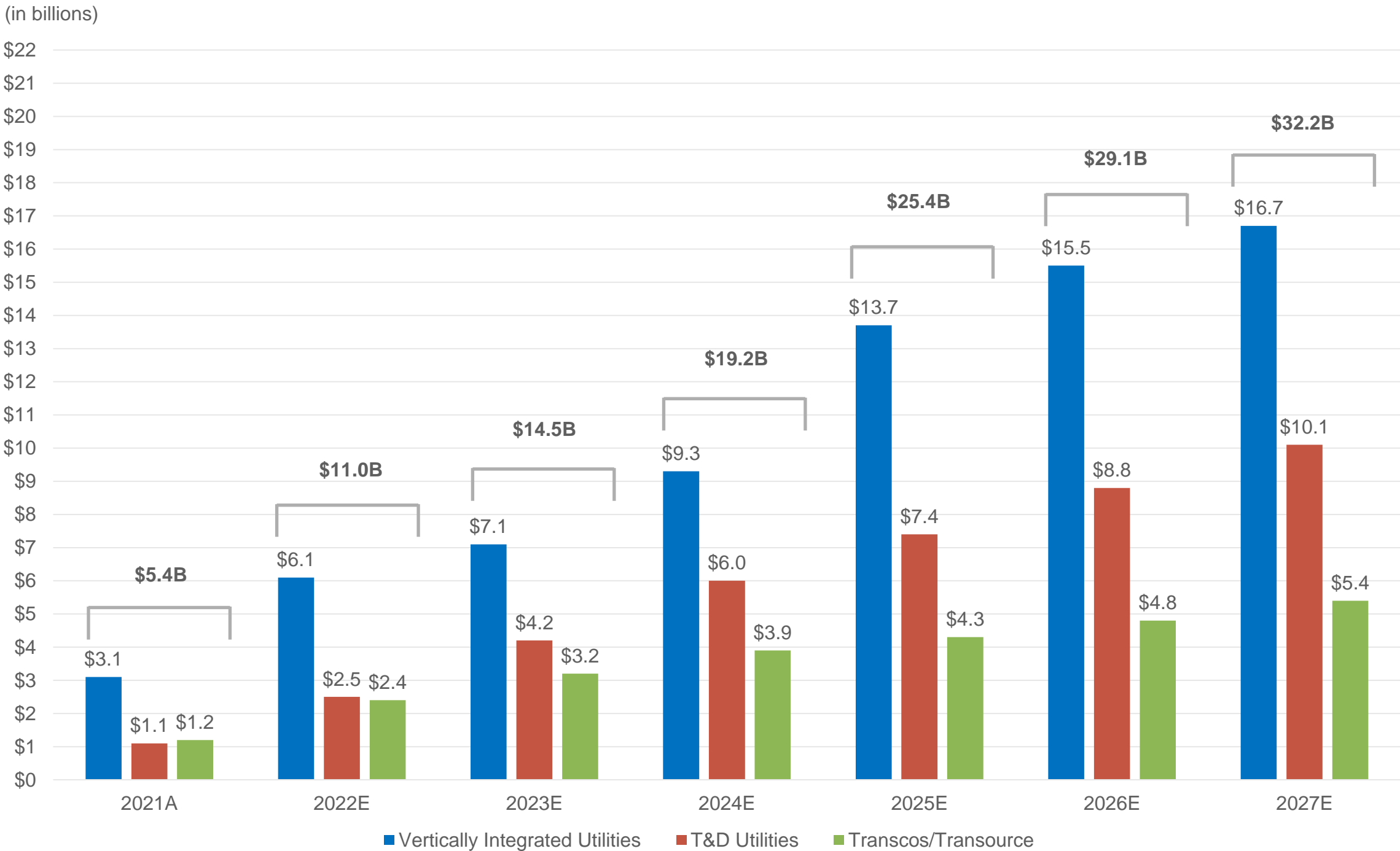
7.6% CAGR in Rate Base Growth

Cumulative change from 2020 base

6-7% EPS growth is predicated on regulated rate base growth

2020 RATE BASE PROXY	
Vertically Integrated Utilities	\$25.3B
T&D Utilities	\$13.8B
Transcos/Transource	\$9.2B
TOTAL	\$48.3B

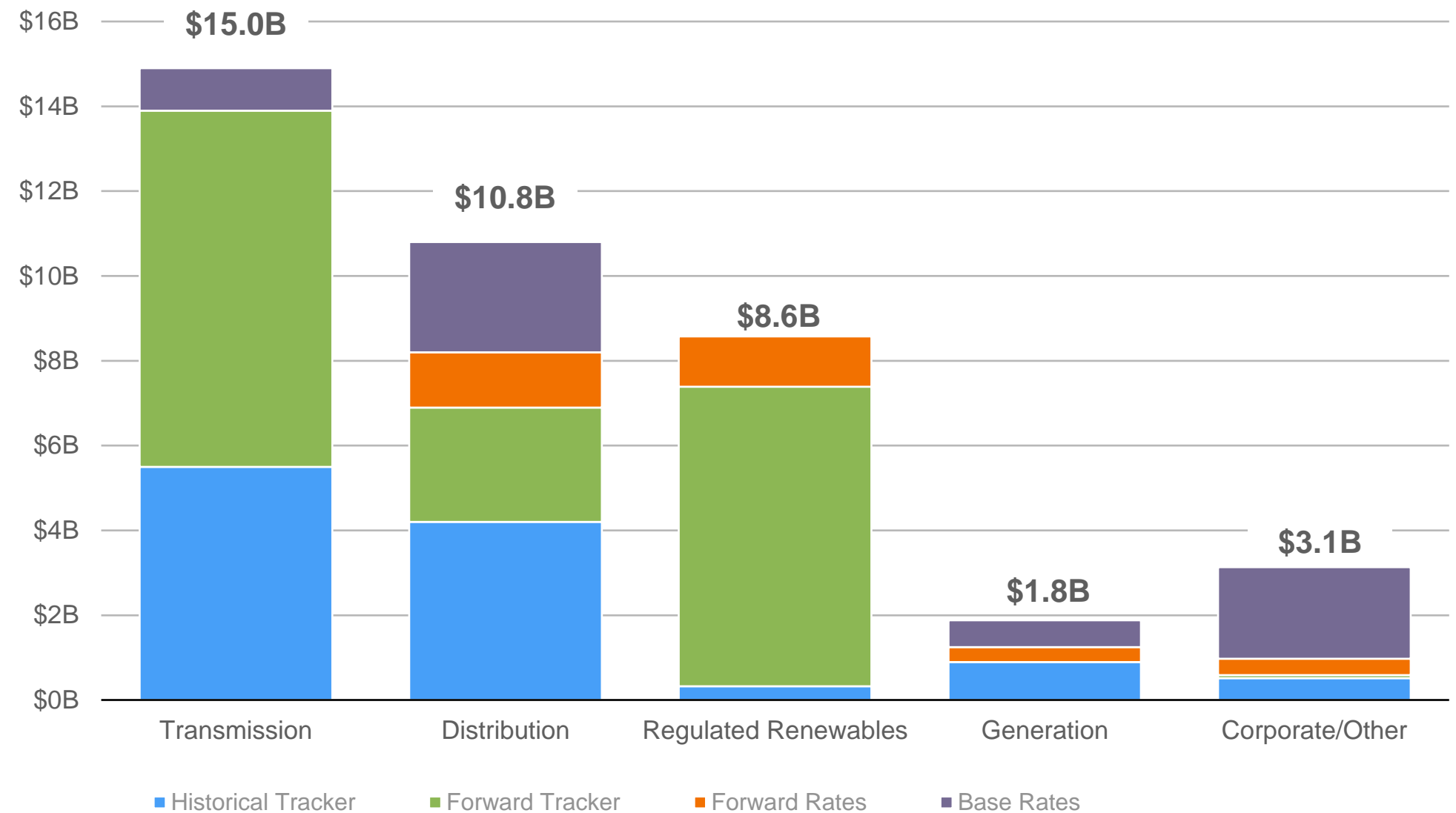
For comparative purposes, data excludes Kentucky-related rate base.



Efficient Cost Recovery Mechanisms

~85% of capital plan is recovered through reduced lag mechanisms

2023-2027 Regulated Capital Investments





Financial Information

Regulated Returns and 2023 Forecasted ROE

2023 Operating Earnings Guidance

2023 Key Guidance Sensitivities and Assumptions

Continued Focus on O&M Efficiency

Normalized Retail Load Trends

Pension and OPEB Estimates

Operational and Financing Structure

2023 Debt Issuances and Maturities Overview

Credit Ratings

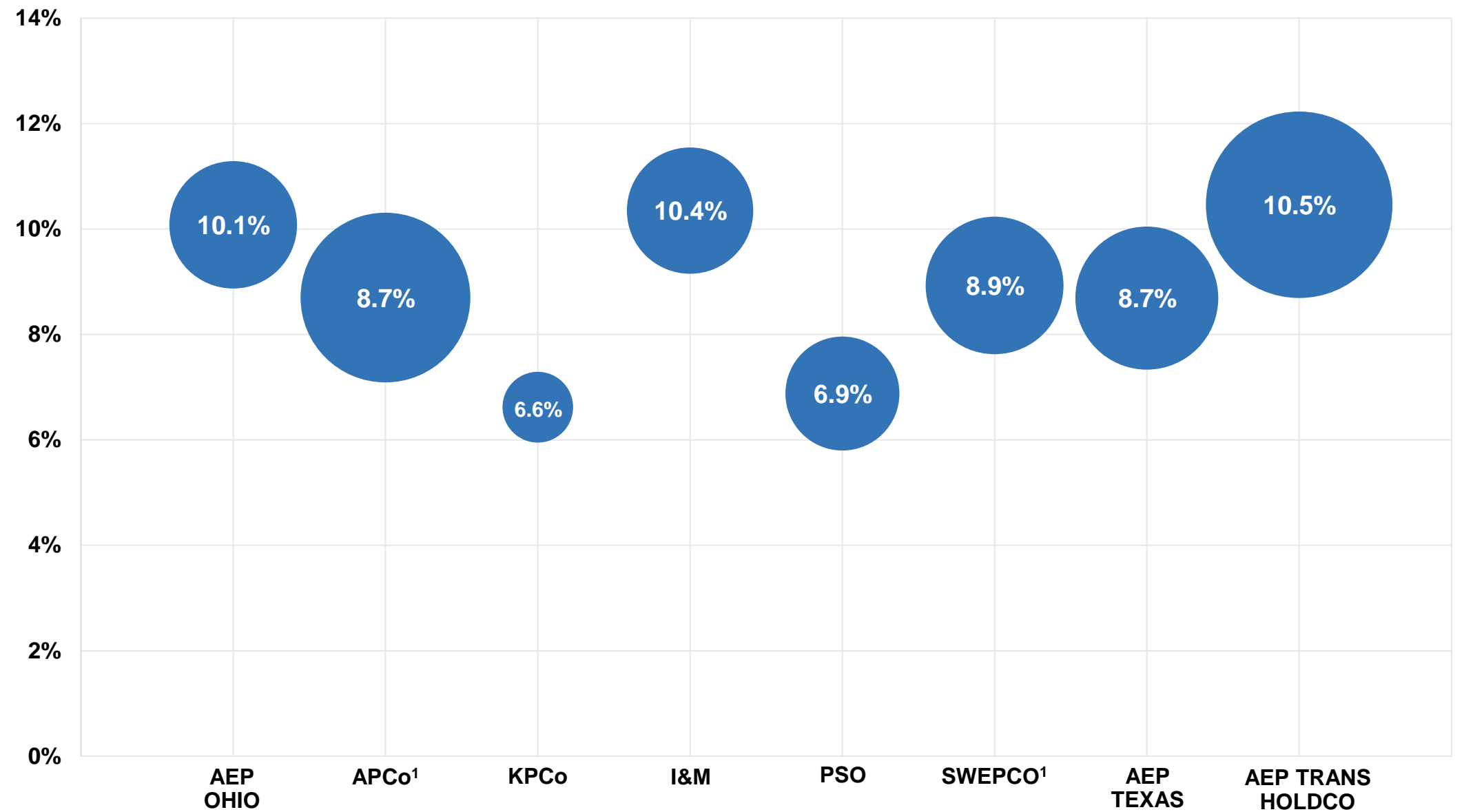




Regulated Returns

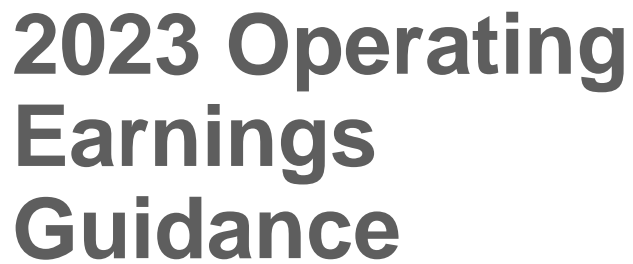
2023 Forecasted
Regulated ROE is 9.4%

Twelve Months Ended 9/30/2022 Earned ROE's – Total Regulated ROE was 9.3%
(non-GAAP operating earnings, not weather normalized)



¹ Base rate cases pending/order recently received.

Sphere size based on each company's relative equity balance.



¹ Represents the net impact to operating earnings of Kentucky operations being included in AEP consolidated results for 12 months in 2022 and excluded from 2023 earnings due to expected close on sale in January 2023.

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2023 Key Guidance Sensitivities and Assumptions

Assumptions

2023 Regulated Connected Load (Billed and Accrued)

Residential	56,805 GWh
Commercial	49,338 GWh
Industrial	58,473 GWh

Rate Changes: \$310M; \$88M secured
Average Shares Outstanding: 517.8M

Sensitivity Analysis

	SENSITIVITY		EPS	
			VIU	T&D
Retail Sales				
Residential	1.0%	+/-	\$ 0.029	\$ 0.011
Commercial	1.0%	+/-	\$ 0.014	\$ 0.005
Industrial	1.0%	+/-	\$ 0.009	\$ 0.001
O&M Expense (excludes O&M with offsets)	1.0%	+/-	\$ 0.04	
Interest Expense (floating debt)	25 bps	+/-	\$ 0.02	
Interest Expense (new issuances)	25 bps	+/-	\$ 0.01	
Regulated ROE	10 bps	+/-	\$ 0.06	

A \$6.6M change in pretax earnings equals \$0.01 per share



Continuous Focus on O&M Efficiency

O&M discipline over time amid rising costs and growing asset base helps keep customer rates affordable

\$41B

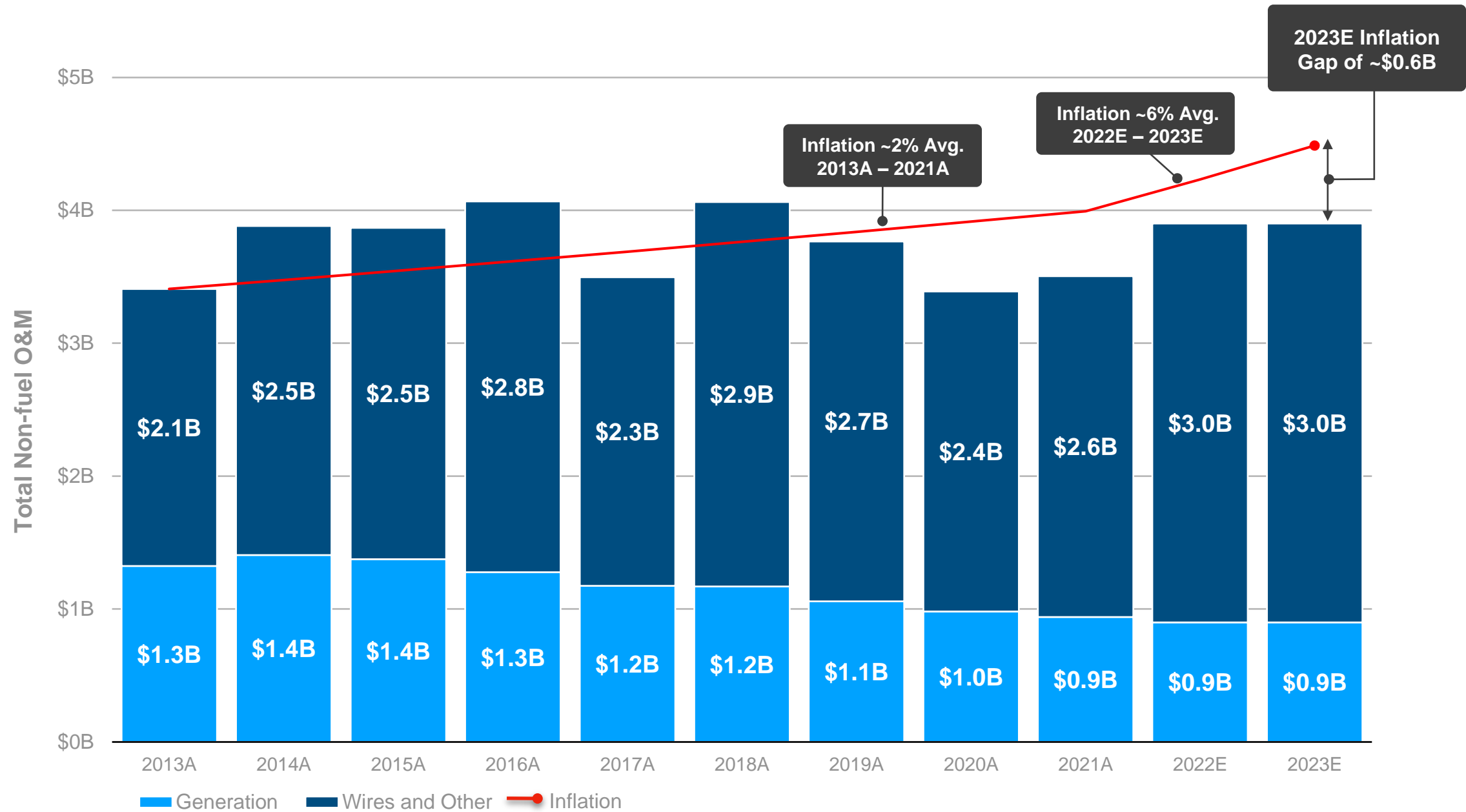
2013A Net Plant

>>

\$76B

2023E Net Plant

Total tracked and untracked O&M are both actively managed to address customer affordability



(in billions)	2013A	2014A	2015A	2016A	2017A	2018A	2019A	2020A	2021A	2022E	2023E
Untracked O&M	\$2.7	\$3.0	\$2.9	\$3.0	\$2.7	\$3.0	\$2.9	\$2.5	\$2.6	\$2.8	\$2.8

For comparative purposes, data excludes Kentucky-related O&M.



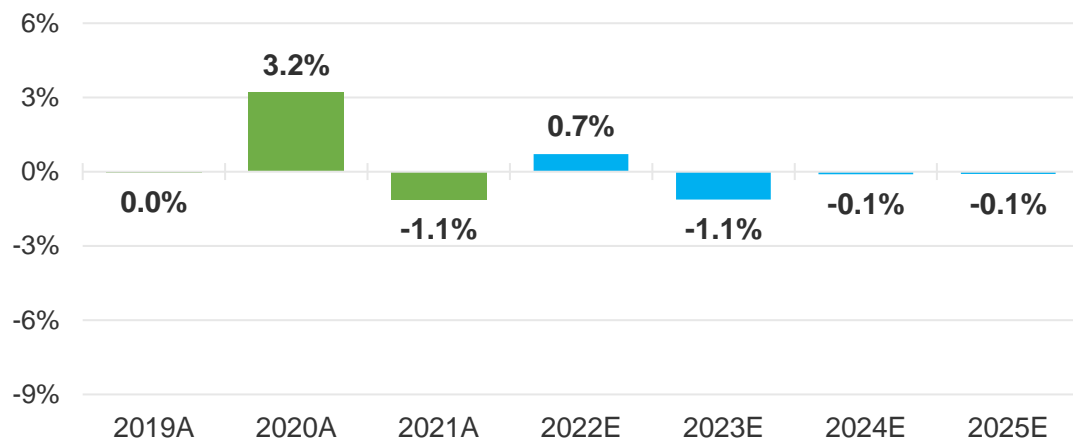
Weather Normalized Billed Retail Load Trends

Load in AEP's service territory continues to maintain significant momentum

Load figures are billed retail sales excluding firm wholesale load. For comparative purposes, data excludes Kentucky-related load.

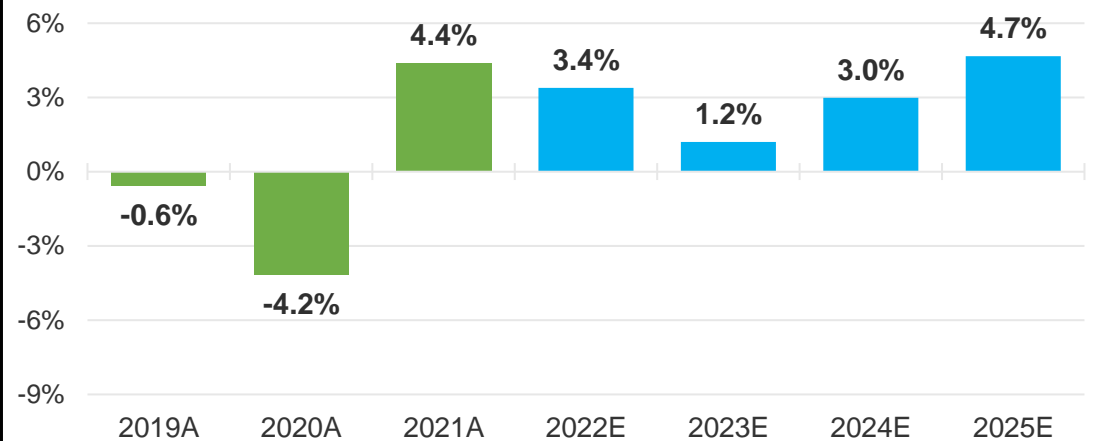
AEP Normalized Residential GWh Sales

% Change vs. Prior Year



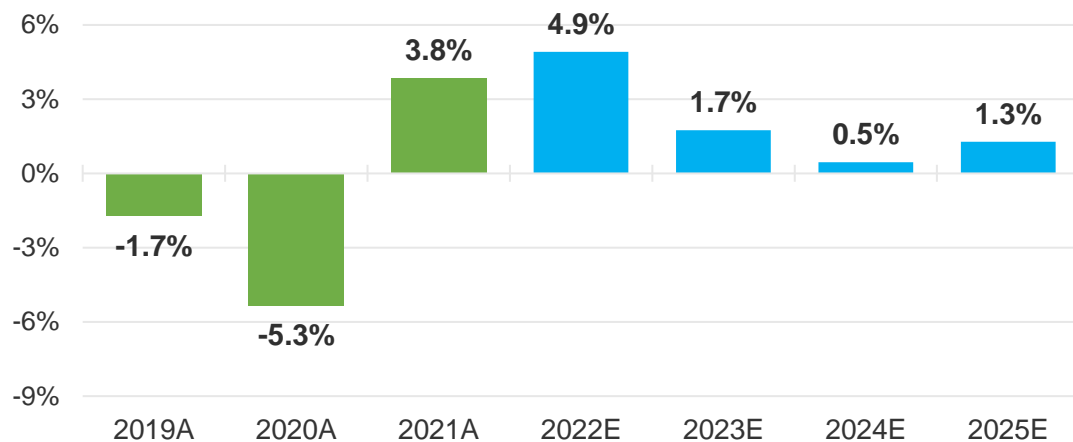
AEP Normalized Commercial GWh Sales

% Change vs. Prior Year



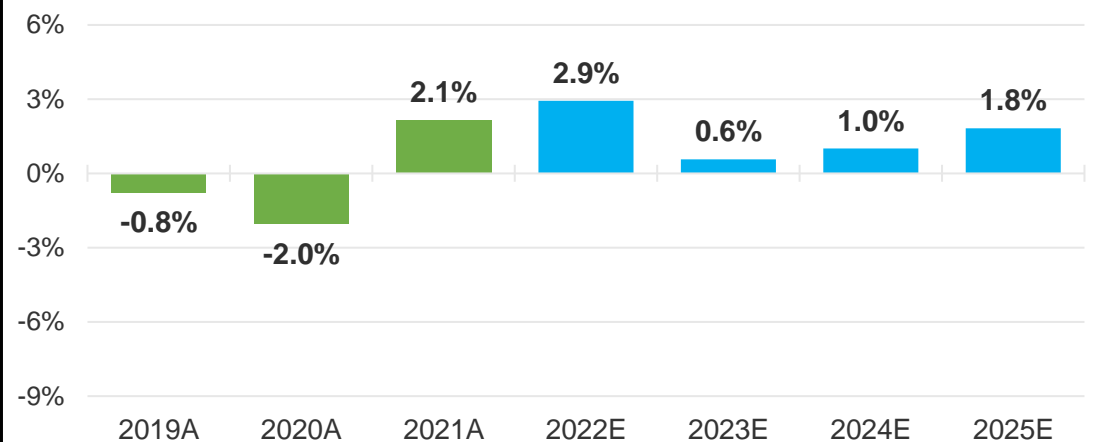
AEP Industrial GWh Sales

% Change vs. Prior Year



AEP Normalized Retail GWh Sales

% Change vs. Prior Year



■ Actual Normalized Load ■ Estimated Normalized Load



Pension and OPEB Estimates

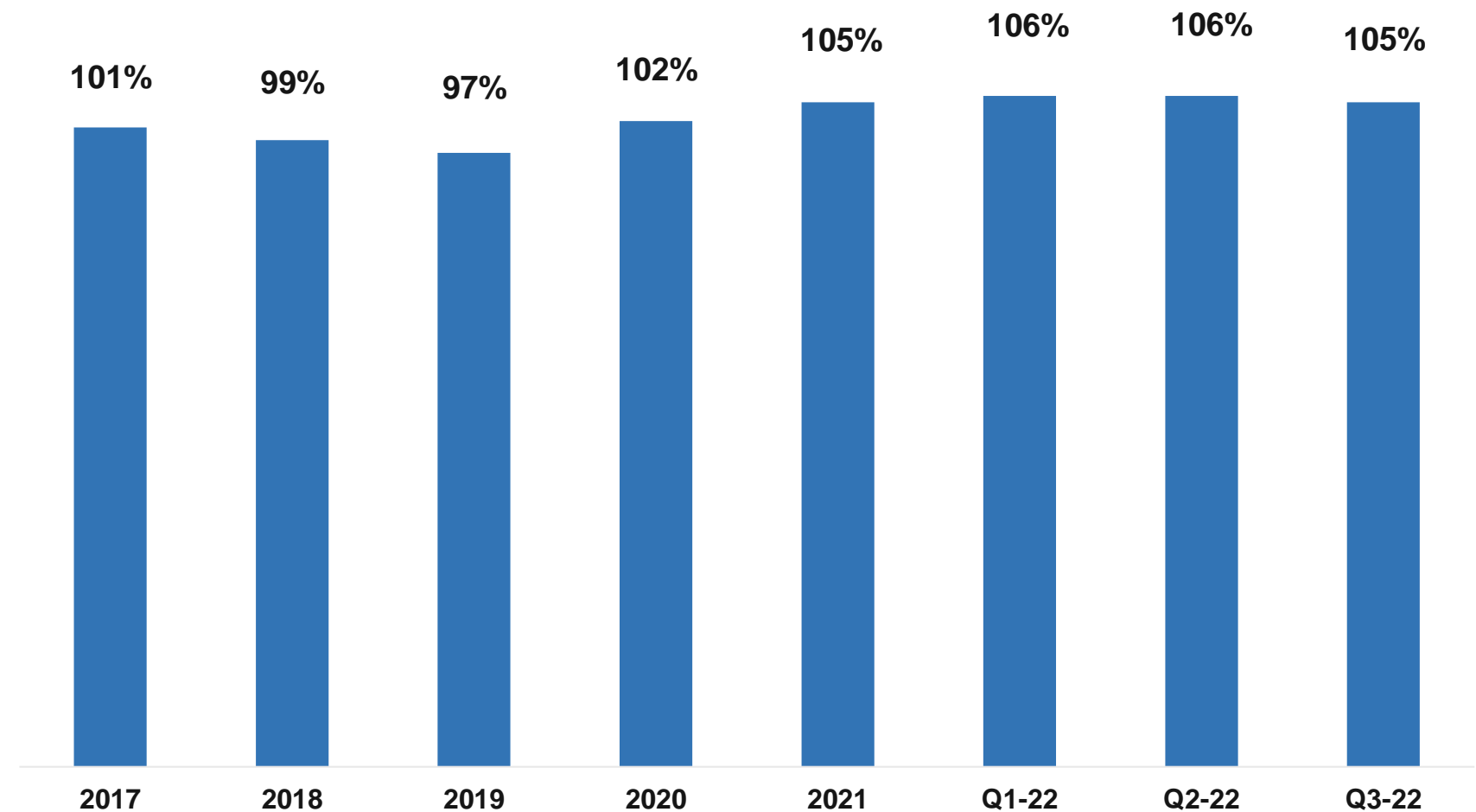
ASSUMPTIONS	2022E	2023E
Pension Discount Rate	2.90%	3.81%
OPEB Discount Rate	2.90%	3.84%
Assumed Long Term Rate of Return on Pension Assets	5.25%	5.25%
Assumed Long Term Rate of Return on OPEB Assets	5.50%	5.50%
Qualified Pension Funding ¹	-	-
Pension/OPEB Cost (Credit) ²	(\$64M)	(\$68M)
Pension/OPEB Pre-tax Expense (Benefit) ³	(\$119M)	(\$117M)

¹ AEP does not expect to make qualified pension contributions in 2022 and 2023 due to Plan's funded position.

² Cost (credit) are pre-tax and pre-capitalization. Actual amounts are subjected to change due to investment results, interest rates and actuarial assumptions.

³ Regulated pension and OPEB expense (benefit) are recovered or pass back through base rates and recorded in O&M and Non-Service Cost Components of Net Periodic Benefit Cost on the income statement.





Qualified Pension Funding



Negative YTD 2022 pension and OPEB returns were offset by favorable impacts of lower plan liabilities caused by rising interest rates, keeping the funded status for both plans stable.



Operational and Financing Structure

-  Uses a combination of external LT financing and commercial paper program
-  Uses a combination of external and internal LT financing and money pool
-  Uses internal LT financing and money pool
-  Uses a combination of external and internal LT financing

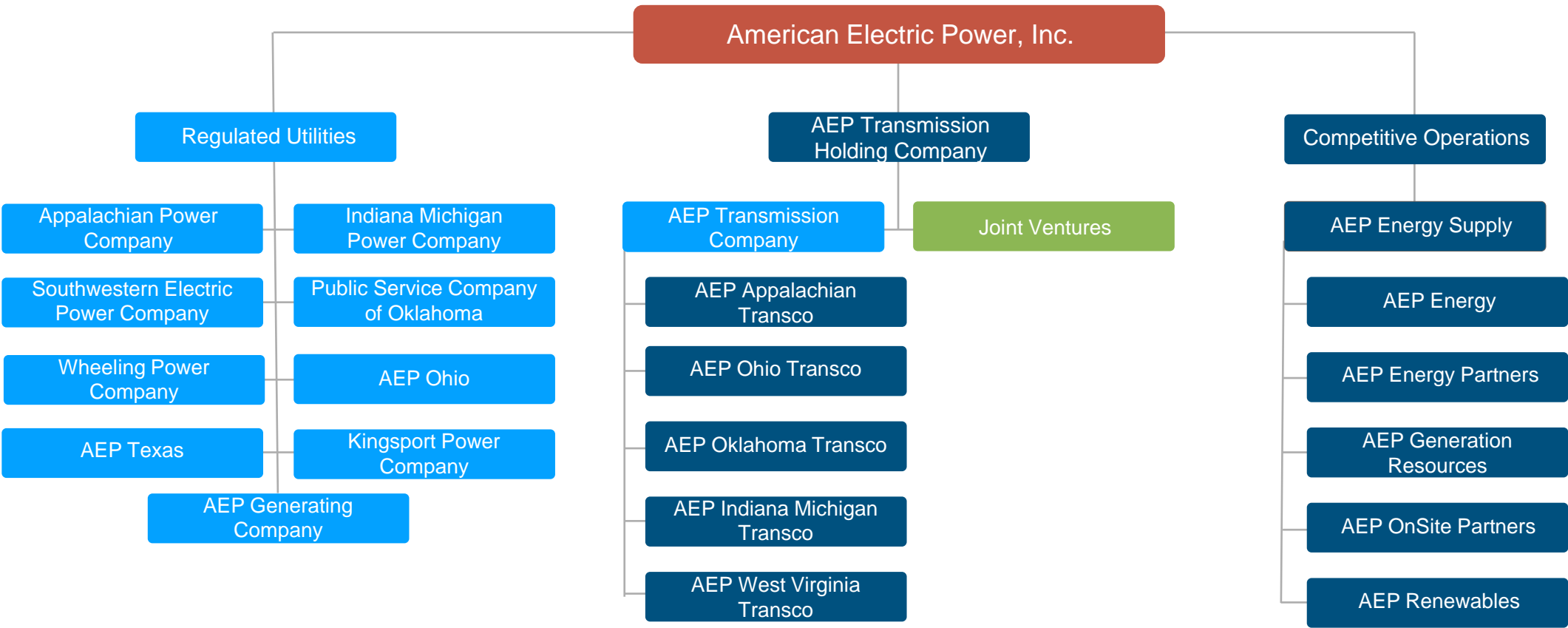


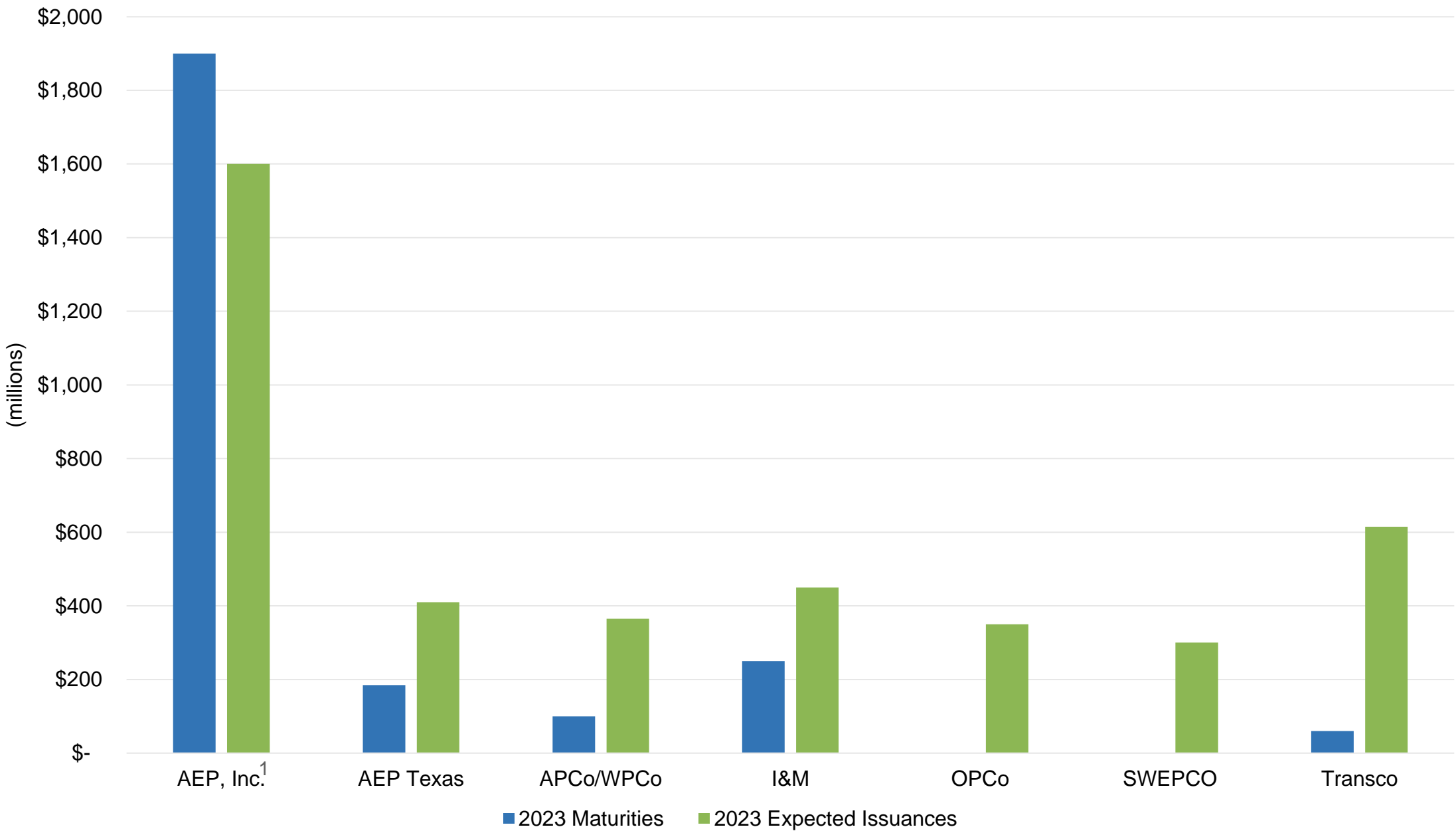
Chart does not represent legal structure.



2023 Debt Issuances and Maturities Overview

¹ \$850M maturity and issuance are associated with the mandatory convertible remarketing.

Chart excludes securitization bonds and nuclear fuel leases; no significant maturities and issuances are planned for AEG and PSO in 2023.





Credit Ratings

Current ratings for AEP and subsidiaries as of 11/1/2022

¹ In conjunction with the unenhanced VRDN remarketings, APCo and I&M both received short-term credit ratings of A-2/P2 from S&P/Moody's.

² NR stands for Not Rated.

Company	Moody's		S&P		Fitch	
	Senior Unsecured	Outlook	Senior Unsecured	Outlook	Senior Unsecured	Outlook
American Electric Power Company, Inc.	Baa2	S	BBB+	S	BBB	S
AEP, Inc. Short Term Rating	P2	S	A2	S	NR	NR
AEP Texas Inc.	Baa2	S	A-	S	BBB+	S
AEP Transmission Company, LLC	A2	S	A-	S	A	S
Appalachian Power Company ¹	Baa1	S	A-	S	A-	S
Indiana Michigan Power Company ¹	A3	P	A-	S	A	S
AEP Ohio	Baa1	S	A-	S	A	S
Public Service Company of Oklahoma	Baa1	S	A-	S	A-	S
Southwestern Electric Power Company	Baa2	S	A-	S	BBB+	S
Transource Energy ²	A2	S	NR	NR	NR	NR



Competitive Business Portfolio Management

Unregulated Contracted Renewable Assets

Competitive Business Platform

Retail Business (Strategic Review)

Distributed Resources Business

Wholesale Business





Unregulated Contracted Renewable Assets

1,365 MW

net capacity (Wind: 1,200 MW; Solar: 165 MW)¹

14 operating assets

of relatively new vintage across wind and solar technologies

11 states / 7 power markets

across the U.S.

10+ year PPA

weighted average remaining PPA term

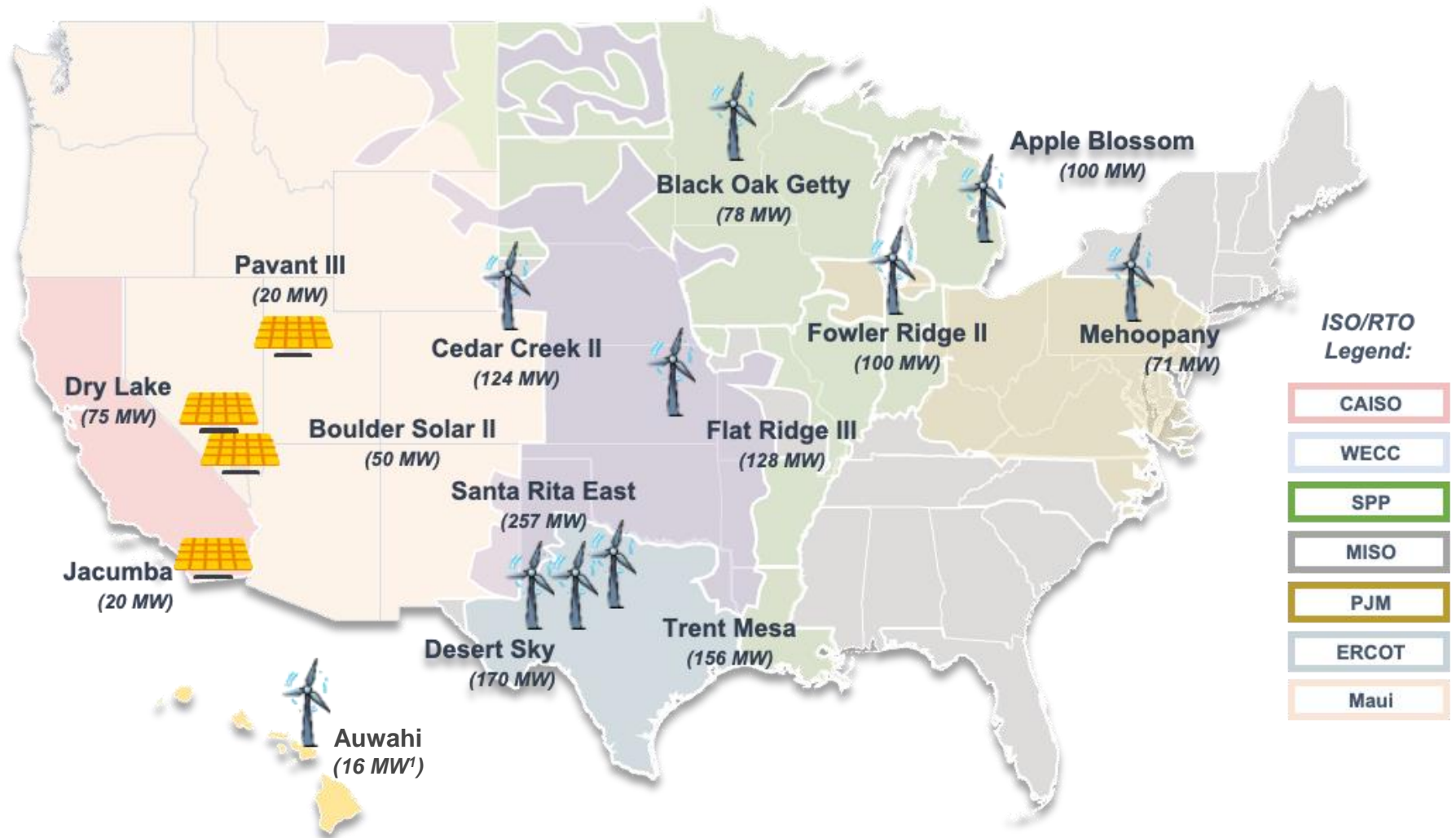
¹ Represents AEP owned net capacity. Includes 5 MW of storage at Auwahi. Represents net AC capacity for solar assets.

² Chart breakdowns represent share of net capacity (MW), unless noted otherwise.

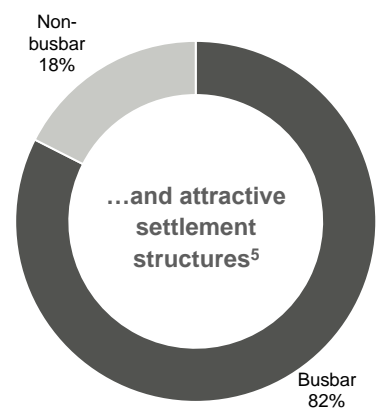
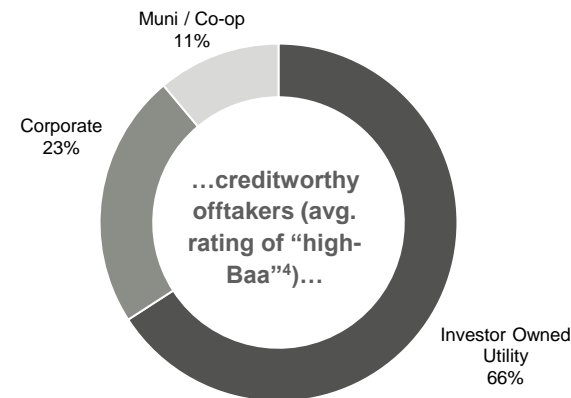
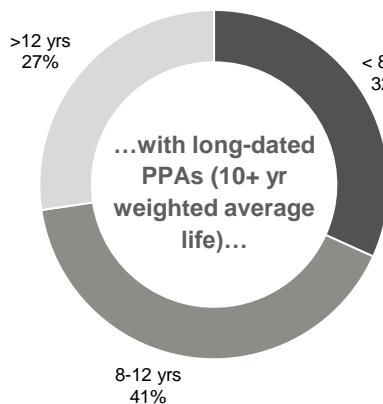
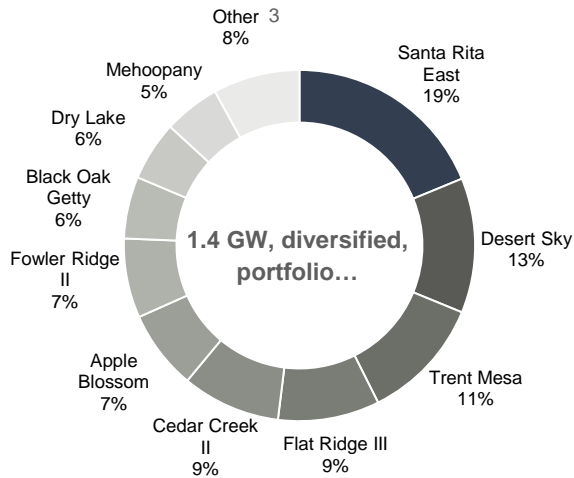
³ Other includes Boulder Solar II (3.7%), Jacumba (1.5%), Pavant III (1.5%), Auwahi (1.2%).

⁴ Based on Moody's ratings.

⁵ Busbar breakdown based on 2021A revenue except for Flat Ridge III (COD: Dec 2021) which represents 2022E revenue forecast based on management projections as of August 2022.



Portfolio breakdown²





Sale Update of Unregulated Contracted Renewable Assets

PROCESS

In February 2022, AEP announced the sale of its unregulated contracted renewable asset portfolio

AEP's net investment (equity position) in this portfolio is \$1.5B as of 9/30/2022; assets contribute \$0.13-\$0.17 EPS in 2022 operating earnings guidance

Sale process launched in late August 2022

Strong buyer interest from financial and strategic investors

14 Projects Within the Portfolio

Project Name	Location	Resource	Commercial Operation Date	MW
Santa Rita East	Texas	Wind	July 2019	257
Trent Mesa	Texas	Wind	August 2018 ¹	156
Desert Sky	Texas	Wind	July 2018 ¹	170
Pavant	Utah	Solar	December 2016	20
Boulder	Nevada	Solar	January 2017	50
Jacumba	California	Solar	August 2017	20
Dry Lake	Nevada	Solar	May 2021	75
Black Oak Getty	Minnesota	Wind	December 2016	78
Apple Blossom	Michigan	Wind	November 2017	100
Mehoopany	Pennsylvania	Wind	December 2012	70
Fowler Ridge	Indiana	Wind	December 2009	100
Cedar Creek	Colorado	Wind	October 2011	124
Auwahi	Hawaii	Wind / Battery	December 2012	17
Flat Ridge III	Kansas	Wind	December 2021	128
Total MW				1,365

¹ Commercial operation date represents repower completion date.

On track for a Q2-23 close

Competitive Business Platform



CUSTOMER CLASSES

- Residential
- Commercial
- Industrial
- Municipals
- Cooperatives

DISTRIBUTED RESOURCES



- Solar
- Energy Storage
- Reciprocating Engines
- Fuel Cells
- Substations

RETAIL SERVICES



- Electric Sales
- Natural Gas Sales
- Demand Response Sales
- Sustainability Services

WHOLESALE SERVICES



- Electric Sales
- Renewable PPA Sourcing
- Congestion Management
- RTO Services
- Portfolio Optimization

Customer Centric, Commercial Mindset

Retail Business (Strategic Review)¹

BUSINESS MODEL

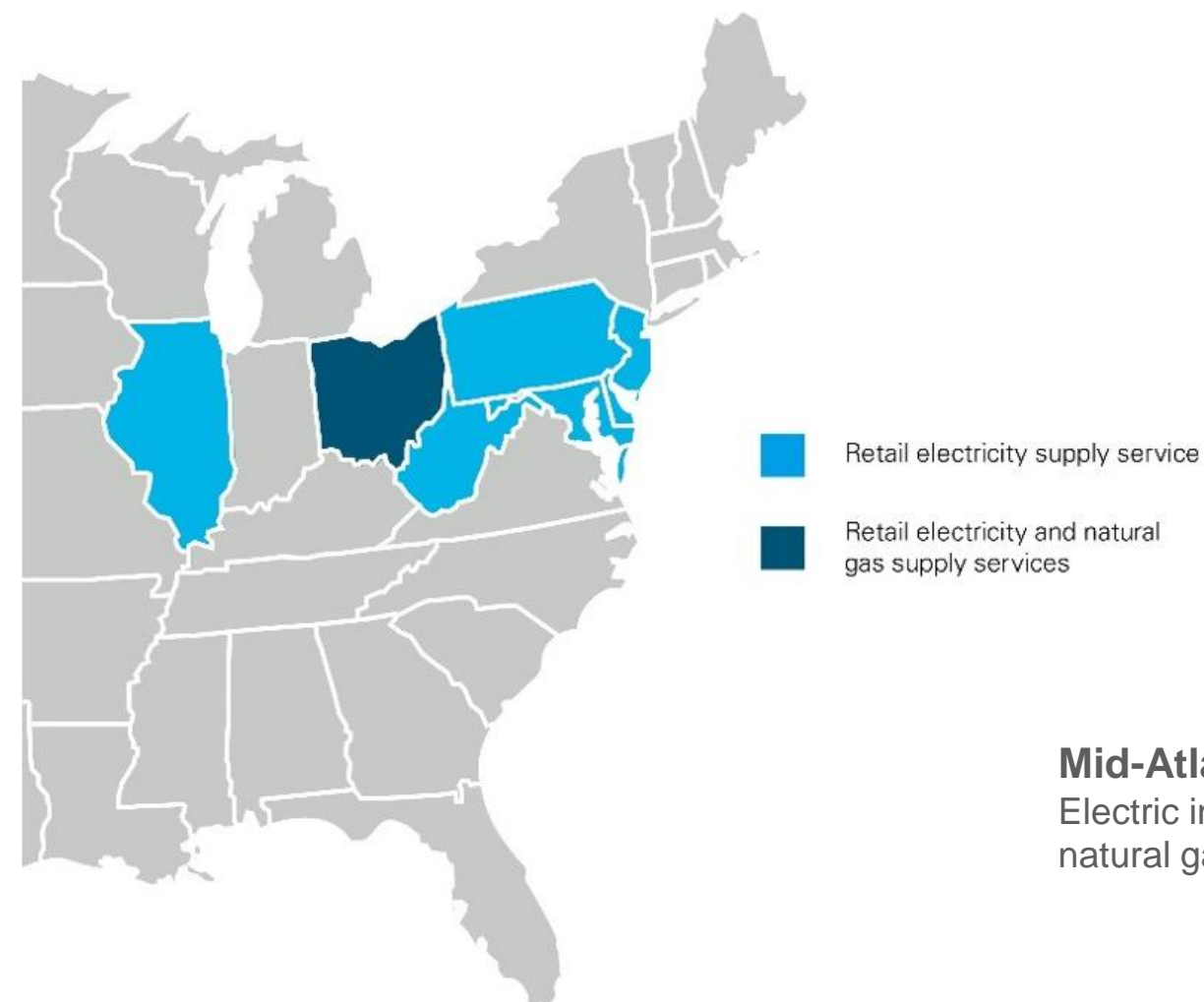
Commodity and Services Sales

- Focused where AEP operating companies can't offer solutions
- Base platform is electric and natural gas sales
- Channel for distributed energy resources for resiliency and sustainability into sales offerings
- Integrates universal scale renewable supplies into retail sales
- Consultancy offerings focused on decarbonization and sustainability services and execution

Customer Expert for Platform

- Ranked #4 largest non-residential power retailer in PJM
- Ranked #8 largest residential nationally

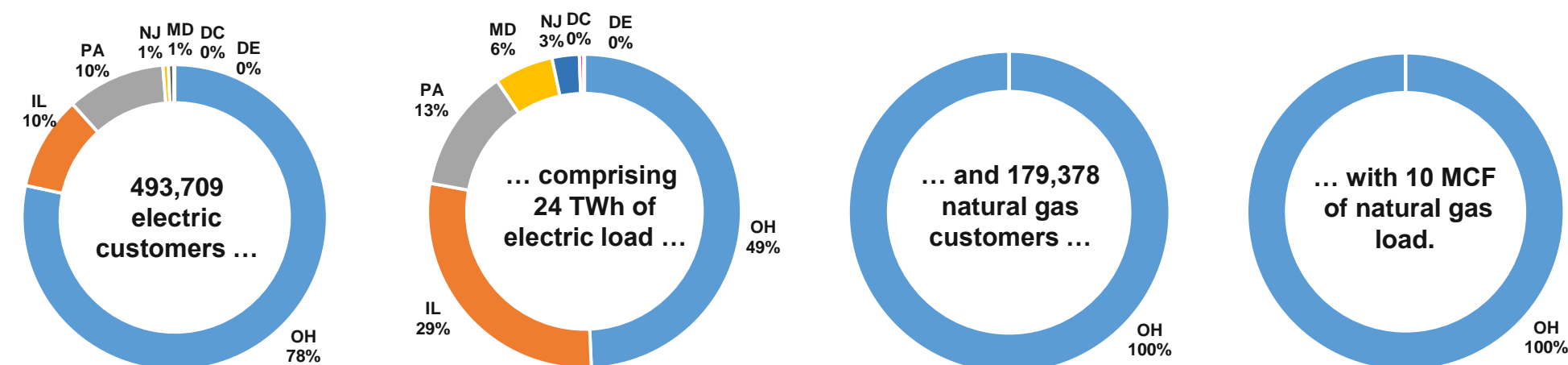
¹ Management expects to complete strategic review in the first half of 2023. Retail business contributes \$0.06 EPS in 2022 operating earnings guidance and \$0.04 EPS in 2023 operating earnings guidance.



Mid-Atlantic Focus

Electric in 7 states/27 utilities and natural gas in 4 utilities in Ohio

Portfolio breakdown



Distributed Resources Business

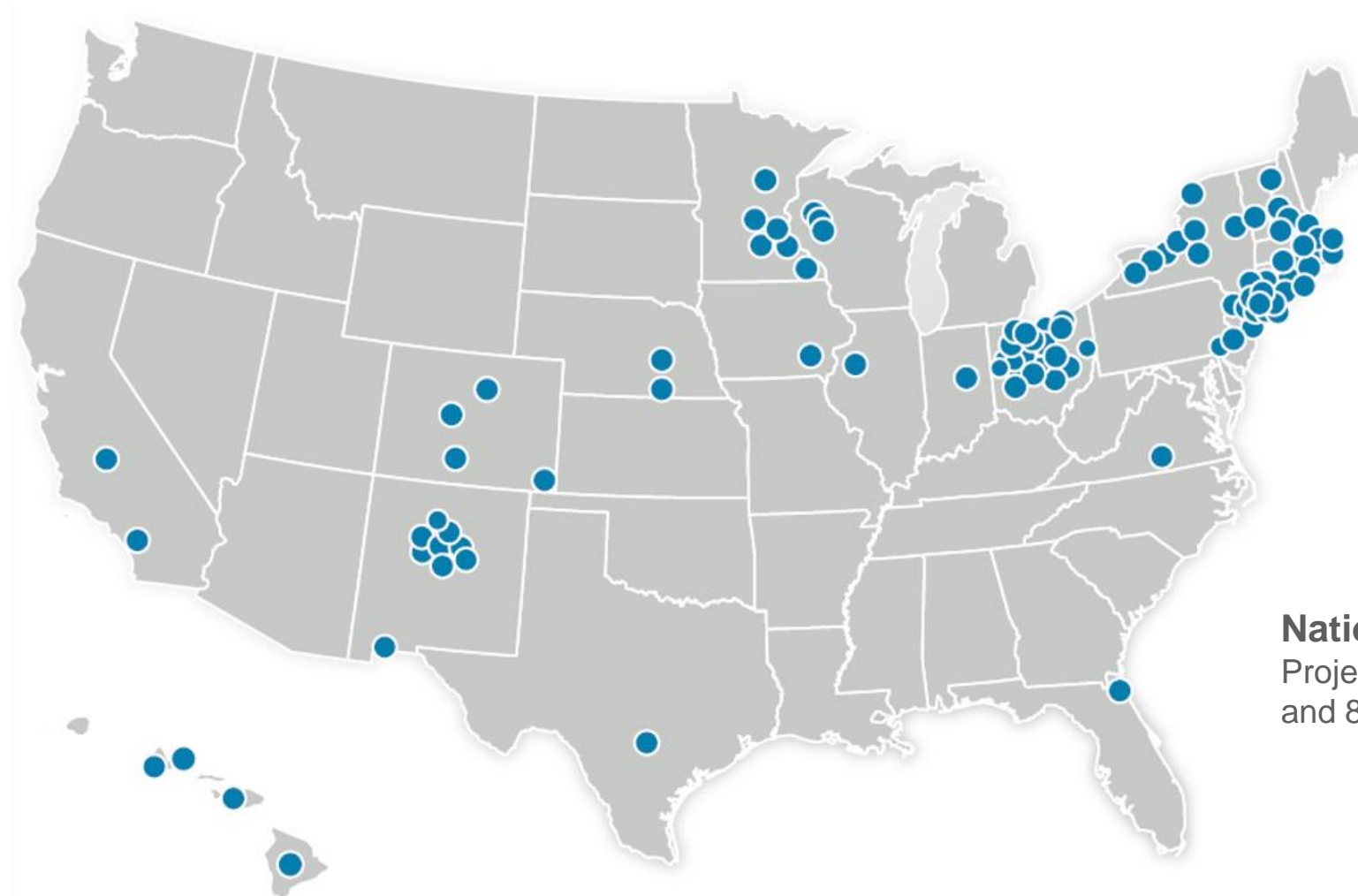
BUSINESS MODEL

Customer Asset Development

- Customer centric business where AEP regulated businesses can't offer solutions
- Focused on behind-the-meter generation assets
- Assisting customers achieve:
 - Cost savings
 - Progress toward sustainability targets
 - Energy resiliency and independence

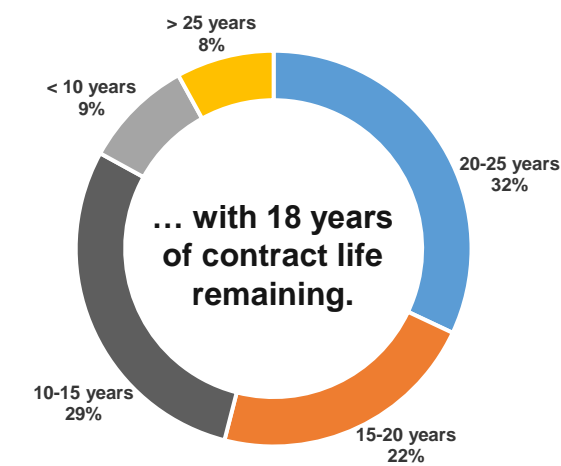
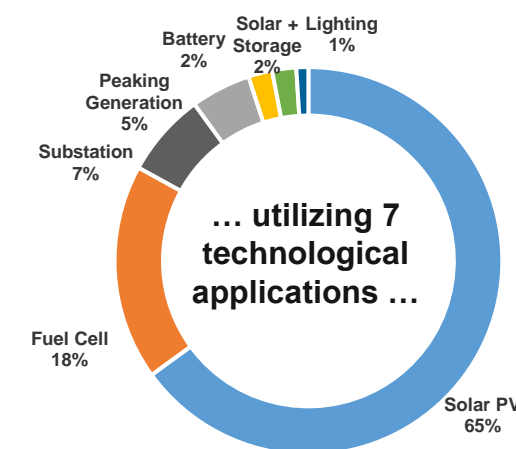
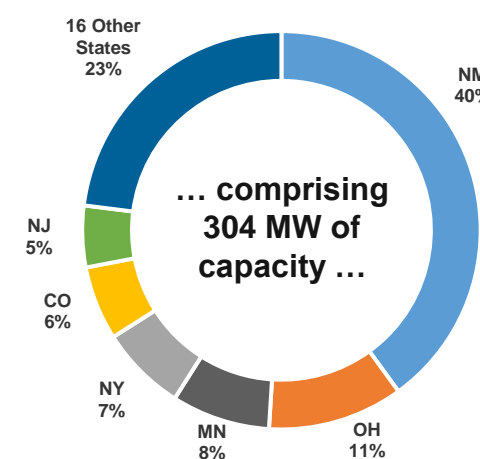
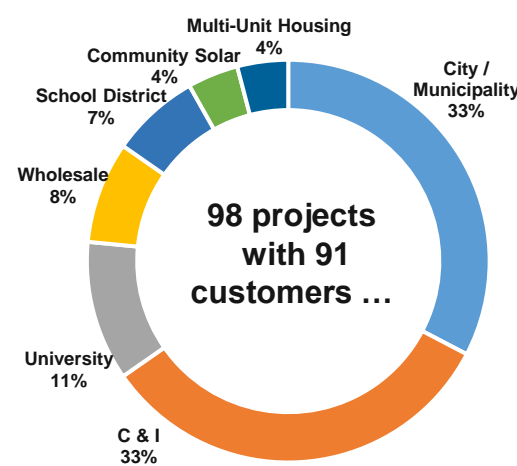
Technology Expert for Platform

- Solar, fuel cells, batteries, reciprocating engines, substations, solar + storage and lighting



National Focus
Projects in 22 states
and 8 power markets

Portfolio breakdown



Wholesale Business

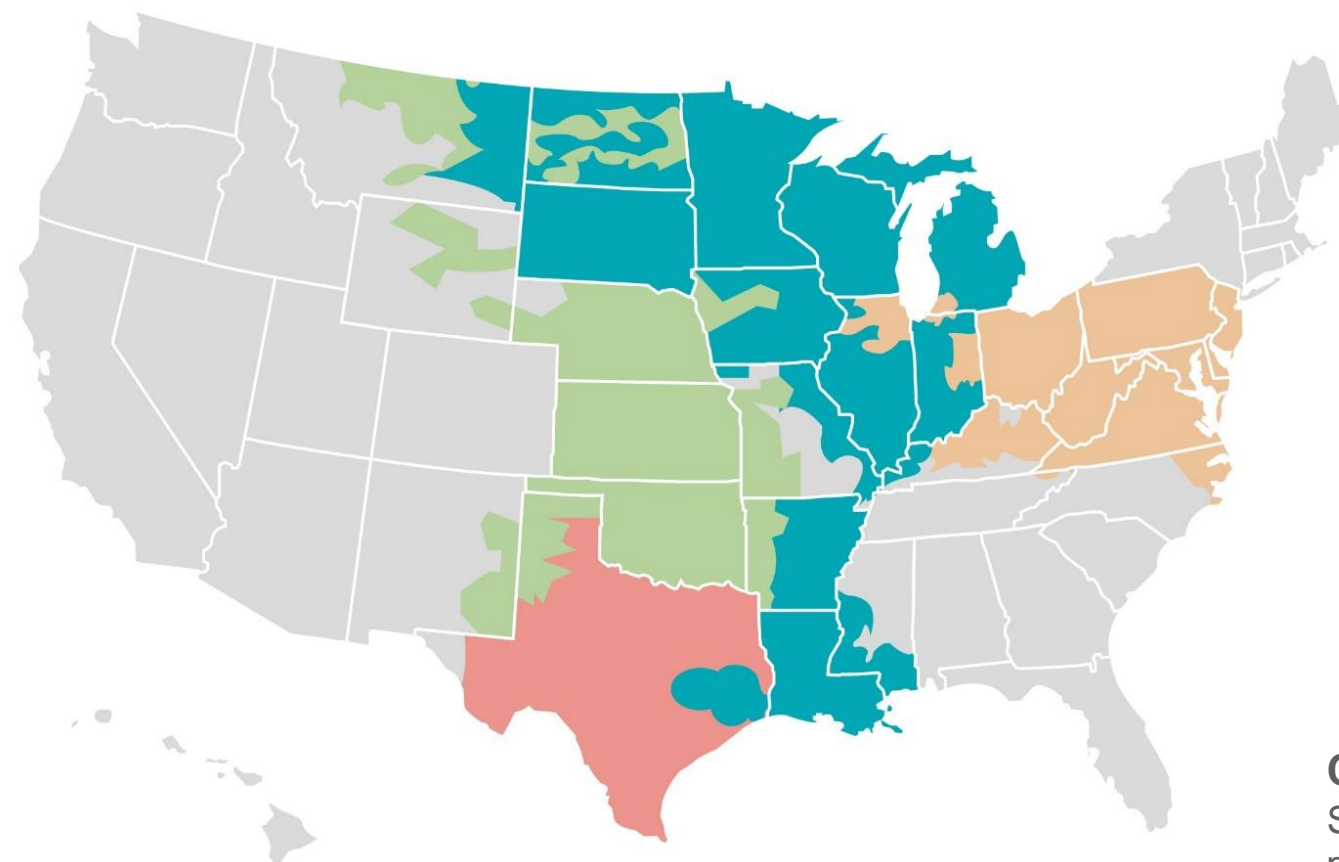
BUSINESS MODEL

Portfolio Optimization

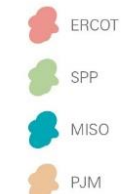
- Traditional municipal and cooperative customer portfolio
- Cardinal Plant and renewables PPA optimization
- Manages wholesale components of retail business including; energy, capacity, congestion, RECs and ancillary services

Risk Manager for Platform

- Low value at risk and low position limits
- Predominately hedged book
- Strict credit requirements



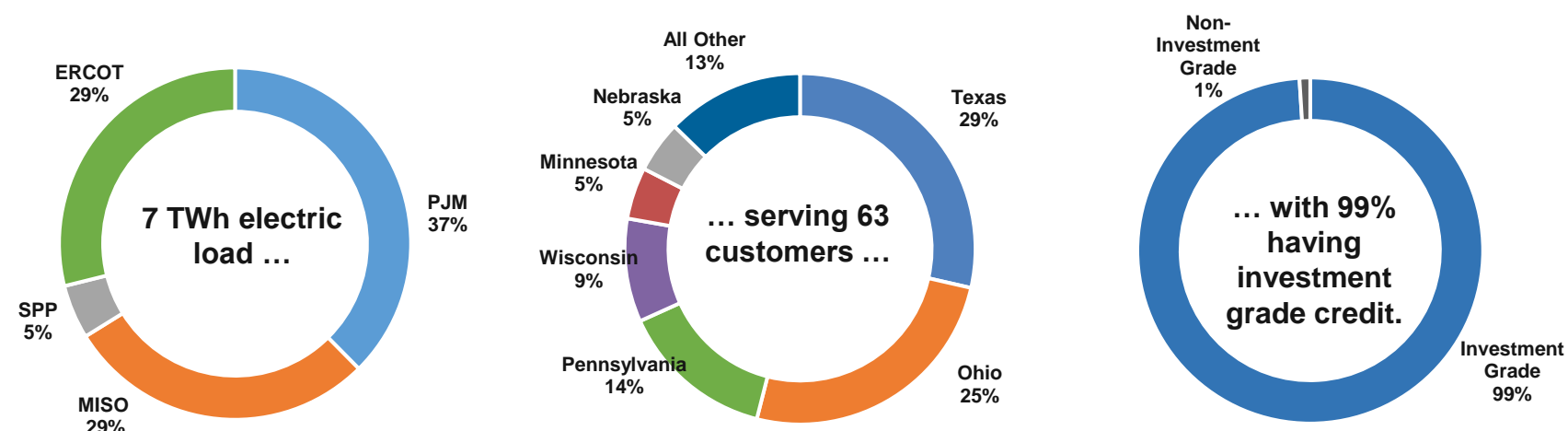
Wholesale Commodities



Central and Mid-Atlantic Focus

Serve wholesale loads in 12 states and participate in 4 power markets

Portfolio breakdown





Environmental, Social and Governance (ESG)

Commitment to ESG

Accelerated Emission Goals

Proven Track Record of Reducing Fleet Emissions

Coal Fleet Transition

Transforming Our Generation Fleet

Committed to Being a Top ESG Employer



Commitment to ESG

ENVIRONMENTAL

- Accelerated CO₂ emission goals: 80% reduction by 2030 off a new 2005 baseline and accelerated net-zero goal by 2045
- 47% reduction in coal capacity as a percent of total capacity by 2032
- 2021 coal capacity = 13.1% of rate base; 2021 coal revenue = 13.6% of total revenue
- Clean energy transition tied to long-term incentive compensation

SOCIAL

- Promote diversity, equity and inclusion
- Service territory economic and business development
- Just Transition strategy
- Environmental and Social Justice Policy
- AEP Foundation Launched Delivering on the Dream: Social and Racial Justice grant program in 2021
- Zero Harm Safety Culture
- Human Rights Policy



GOVERNANCE

- 12 Board of Directors, 11 independent; 92% independent directors
- 58% Board diversity; 42% women and 25% minority
- Average Board tenure of 7 years
- 34% of executive/senior leadership female or minority
- Annual shareholder engagement on strategy and ESG matters with lead independent director participation
- Environmental reports provided at every Board meeting



Taking Bold Steps to Accelerate CO₂ Emission Goals

We are rebasing our near-term CO₂ emission reduction target to 2005, upgrading our 2030 target to include full Scope 1 emissions and accelerating our net-zero goal by 5 years

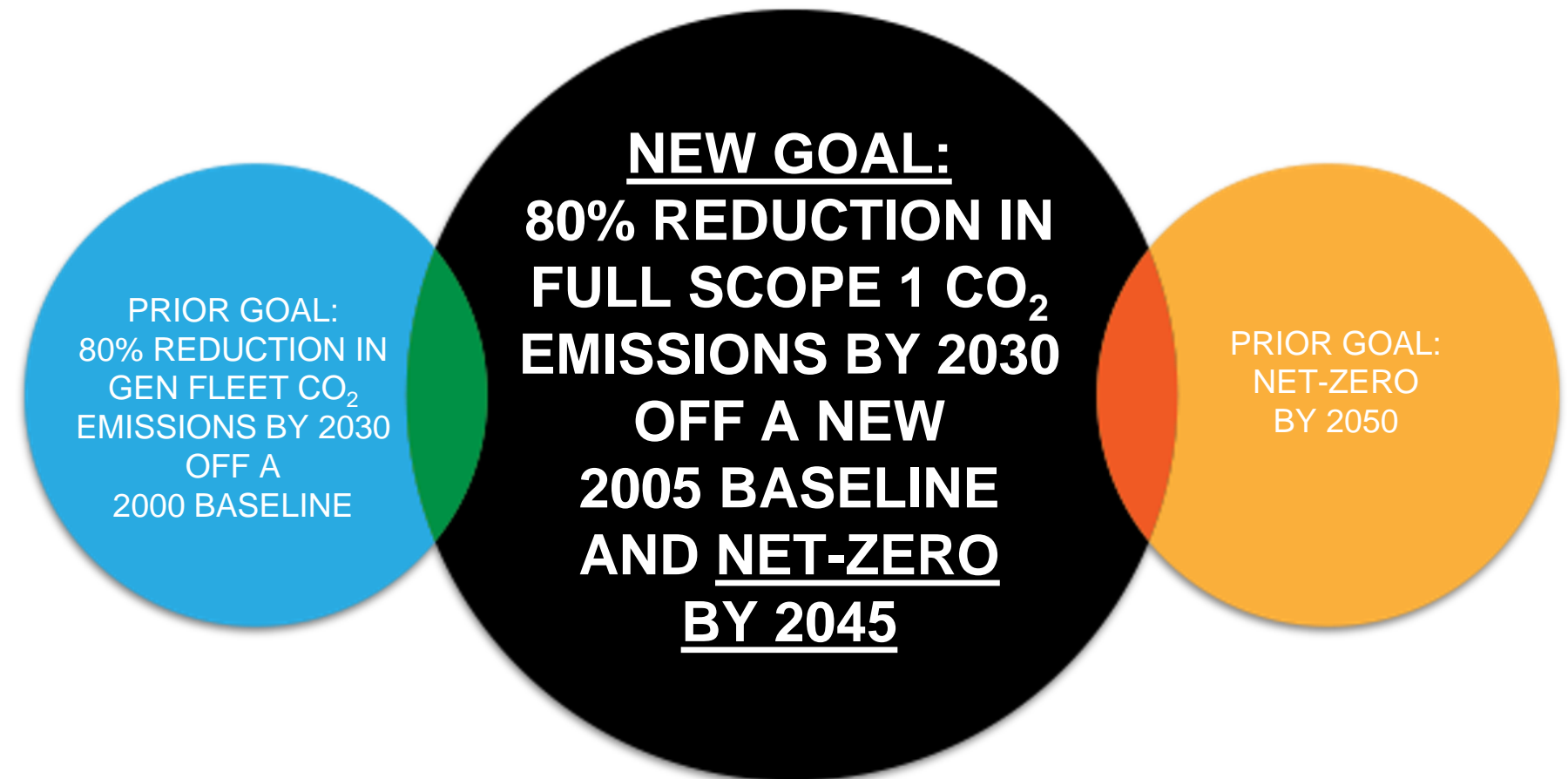
We Have an Achievable Pathway to Net-Zero by 2045

NEAR TERM

- ➖ Planned Retirement and Disposition of Select Fossil Units
- ➕ Adding Solar, Wind, Natural Gas and Energy Storage to Our Generation Portfolio
- ➕ Building-out a Resilient and Reliable Grid to Efficiently Deliver Clean Energy to Customers
- ➕ Closely Evaluating New Technologies to Further Reduce or Eliminate CO₂ Emissions

LONG TERM

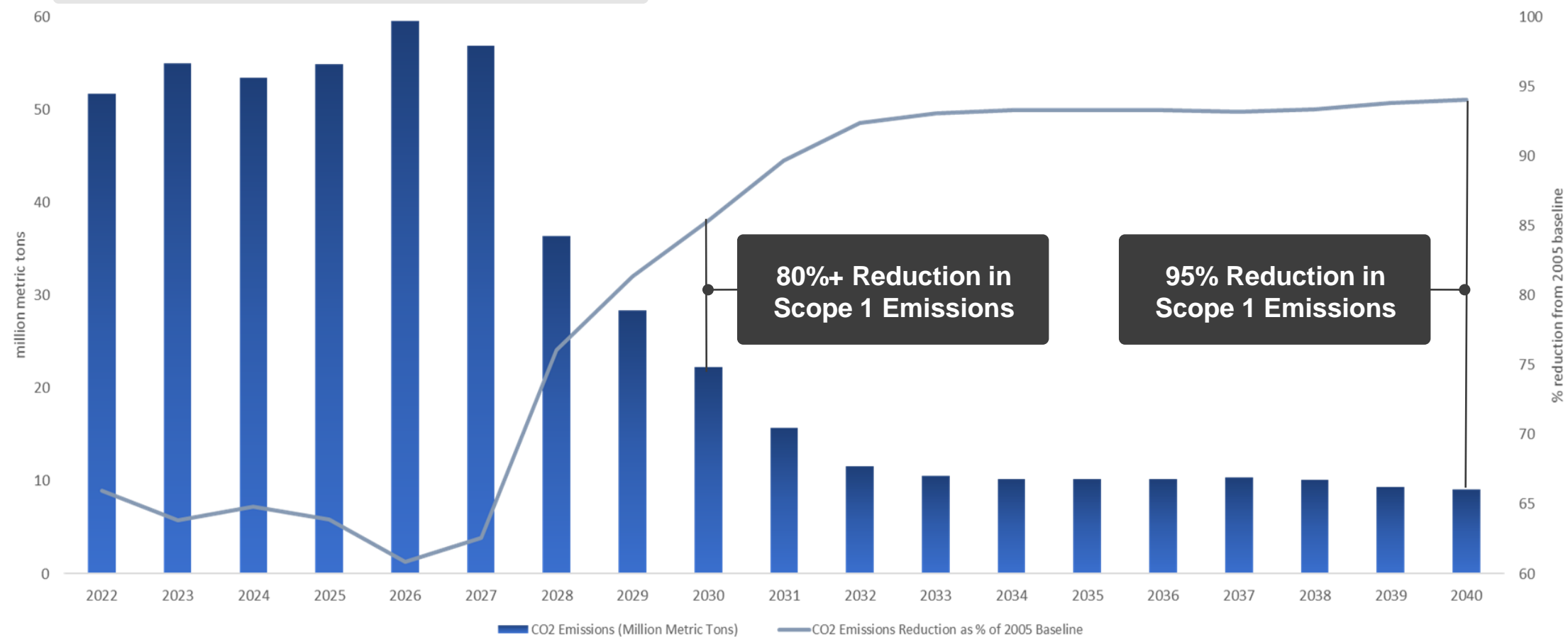
- ➕ Procure Carbon Offsets to Neutralize Any Remaining CO₂ Emissions from our Generation Fleet



Climate goals remain highly assumption driven and are dependent upon factors outside of our control such as generation resource adequacy in our markets, access to clean energy projects, power/commodity market assumptions, federal and state public policy, development of new technologies, cost of abatement, ability to recover costs from customers, etc.

Proven Track Record of Reducing Fleet Emissions

Forecasted CO₂ Emissions (Scope 1)



Projections based upon latest filed Integrated Resource Plans 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.

63%

Reduction in CO₂ emissions from 152M metric tons in 2005 to 56M metric tons in 2021

98%

Reduction in SO₂ emissions between 1990-2021

95%

Reduction in NO_x emissions between 1990-2021

97%

Reduction in mercury air emissions from 2001-2021



Continuing to Advance Our Coal Fleet Transition

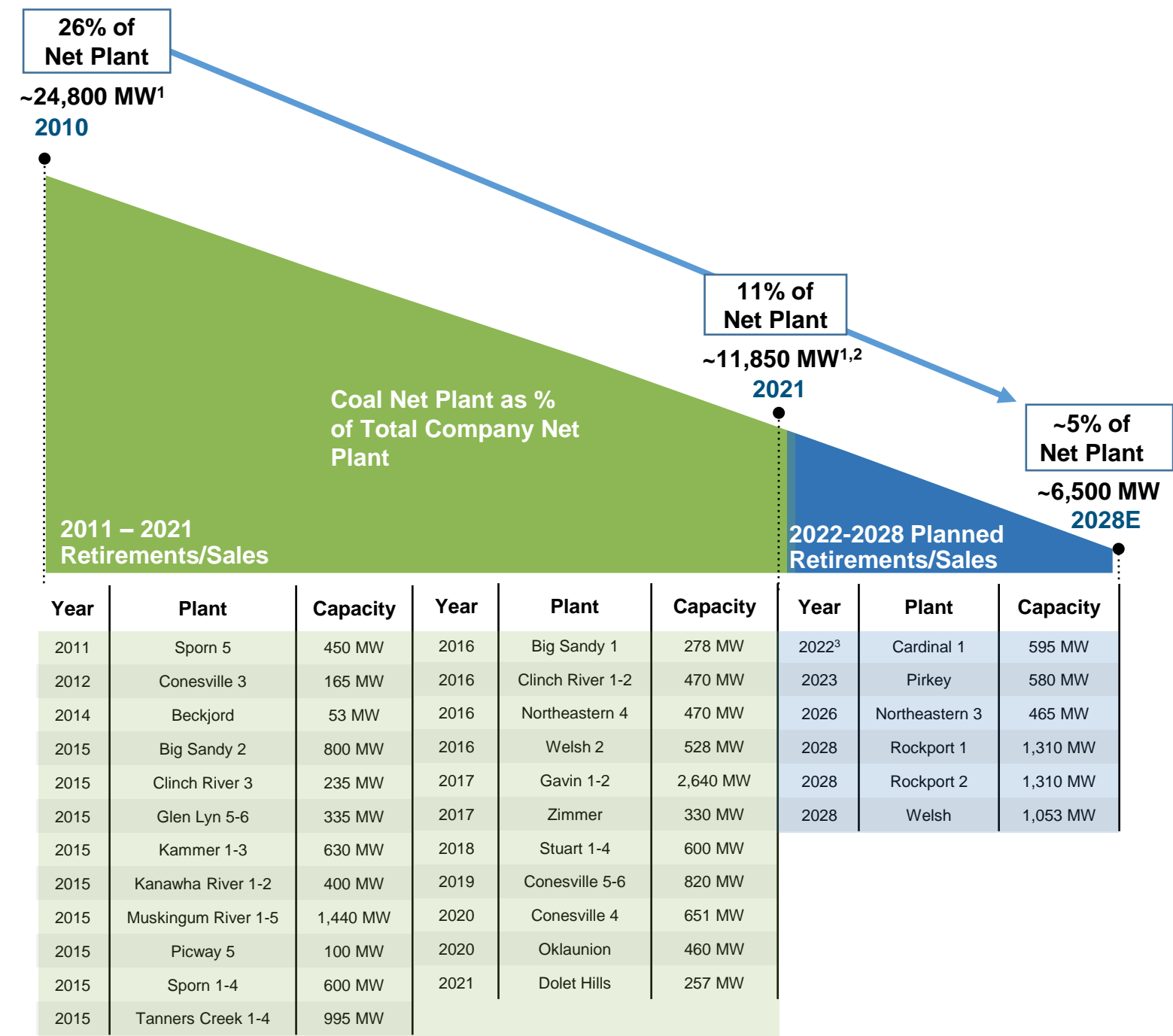
Coal-fired generation is projected to be less than 5% of AEP’s Net Plant by YE 2028

¹ Total includes owned coal units and the Rockport 2 lease; excludes AEP’s investment in OVEC.

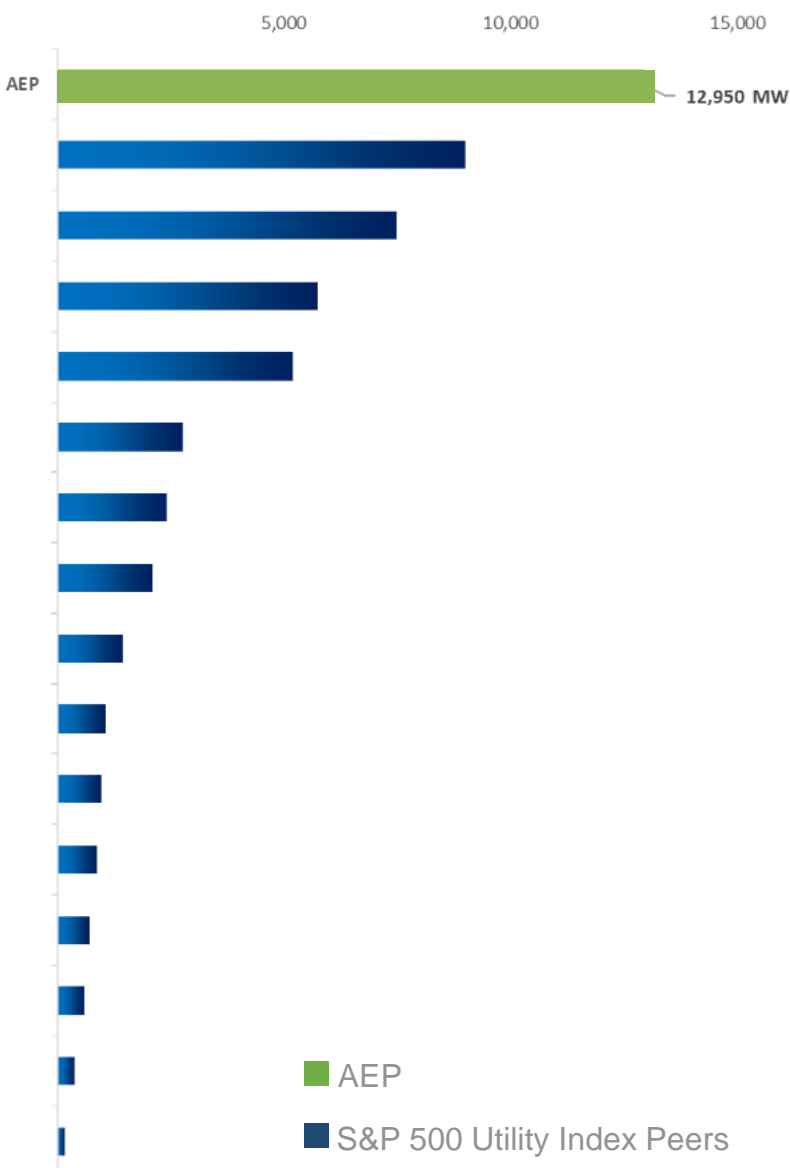
² Includes 2012 Turk Plant addition.

³ In April 2022, AEP executed simultaneous agreements with Buckeye Power to sell Cardinal 1 and purchase 100% of the output through 2028 via a PPA. The sale was completed in August 2022.

⁴ Chart represents AEP vs. S&P 500 Utility Index peers; data sourced from 10-K filings and company presentations and publications.



AEP Has Retired or Divested the Most Coal Generation in the Industry Since 2010⁴





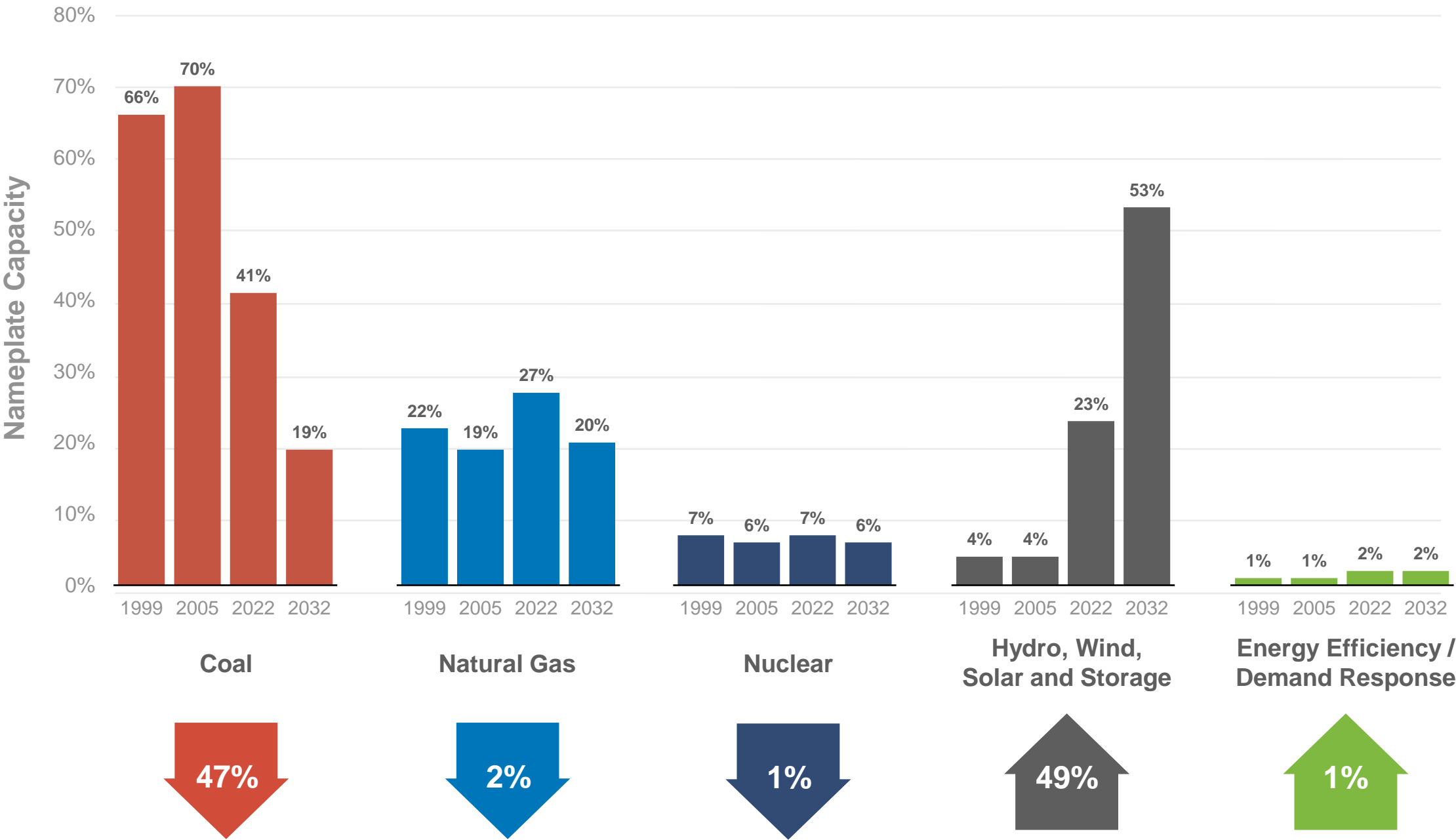
Transforming Our Generation Fleet

Capacity includes both owned and PPA generation. Energy Efficiency / Demand Response represents avoided capacity rather than physical assets.

2022 data as of 9/30/2022 and includes current capacity of KPCo. In October 2021, AEP entered into an agreement to sell its Kentucky operations to Algonquin Power & Utilities. The sale is expected to close in January 2023 following regulatory approvals. 2032 includes forecasted additions and retirements and excludes previously identified projected resource additions for KPCo.

2032 coal capacity includes Amos, Mountaineer and Mitchell plants as the WVPSC approved ELG investment to keep optionality for these plants to operate post 2028. 2032 coal capacity also includes SWEPCO's Turk and Flint Creek plants.

2032 Hydro, Wind, Solar and Storage capacity includes unregulated contracted renewable assets business announced for sale in 2022. Excluding this capacity would not materially change 2032 projected capacity mix.





Committed to Being a Top ESG Employer

Building an inclusive and
high performing culture



GALLUP EXCEPTIONAL WORKPLACE AWARD

2022 WINNER

Recognizes organizations
with engaged workplace
cultures



Recognizes companies that are
trailblazers in their commitment
to gender reporting and
advancing women's equality



Recognizes companies that set
the standard in commitment to
their stakeholders

Other Awards / Recognitions

- Newsweek's Most Responsible Companies
- Fortune's World's Most Admired Companies
- JUST Capital's Top 100 U.S. Companies Supporting Healthy Communities and Families
- JUST Capital's Top 100 U.S. Companies for Workforce Equity and Mobility
- Forbes America's Best Employers
- Forbes America's Best Employers for Women
- Forbes America's Best Employers for New Grads
- Site Selection Magazine's Top Utilities for Economic Development
- Investor Business Daily's Best ESG Companies
- American Opportunity Index



Regulated Investments

Regulated Capital Investment Strategy

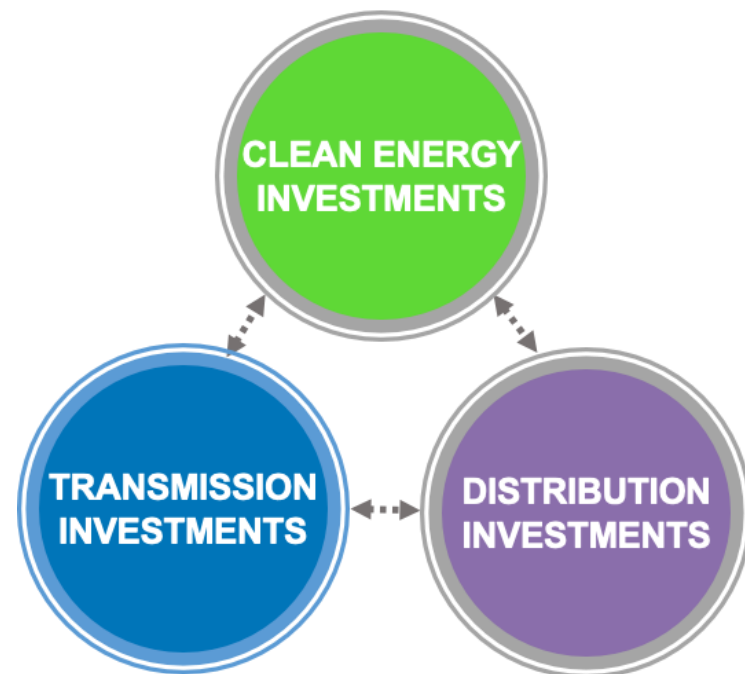
Transmission

Distribution

Regulated New Generation



Linking Investments to Outcomes: Regulated Capital Investment Strategy



KEY INVESTMENT STRATEGIES

- **Transform our electric generation fleet** to drive down costs to customers and achieve our climate goals
- **Develop a modern and secure electric transmission grid** to bolster system reliability, enhance market efficiency and integrate new generation resources
- **Modernize the electric distribution system** to enhance reliability, accommodate changing resources, loads, advanced technologies and increase customer satisfaction
- Work with regulators, policymakers, and key stakeholders to **ensure a durable and sustainable transition to a clean energy economy** by balancing decarbonization goals and timelines with system reliability, resiliency, security and affordability

Our flexible and robust capital plan is designed to meet our customer needs and provide the ability to strategically shift capital to deliver on our 6-7% EPS growth commitment

2023-2027 CAPITAL INVESTMENT

\$15.0B

TRANSMISSION

Transmission Investment in Current 5-year Capital Plan

\$10.8B

DISTRIBUTION

Distribution Investment in Current 5-year Capital Plan

\$8.6B

REGULATED RENEWABLES

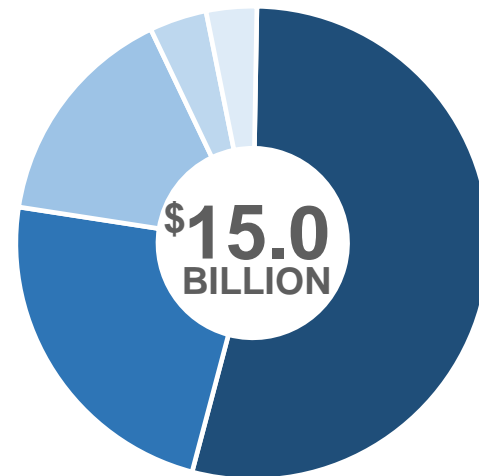
Regulated Renewable Investment in Current 5-year Capital Plan

We have developed a significant pipeline of organic growth opportunities beyond the investments included in our 5-year capital plan

Transmission Organic Growth Opportunity

AEP has a long runway of organic transmission investment opportunities focused on improving system performance, increasing reliability and resiliency, and enhancing market efficiency

2023-2027 CAPEX



DRIVERS

ASSET REPLACEMENT

Asset renewal investments based on condition, performance and risk to reduce customer outages and interruption times

LOCAL RELIABILITY

Multi-driver projects on the local network addressing reliability and customer concerns

RTO DRIVEN

Upgrades needed to address RTO standards related to thermal voltage overloads and contingency conditions; opportunities driven by enabling access to renewable generation

TELECOM / TECHNOLOGY

Asset health monitoring, cyber-security requirements and enhanced situational awareness for grid operations

CUSTOMER SERVICE

Upgrades to connect new customers and enhanced service requests; facilitates local economic development

TRANSMISSION PIPELINE

Large-scale and Growing Pipeline

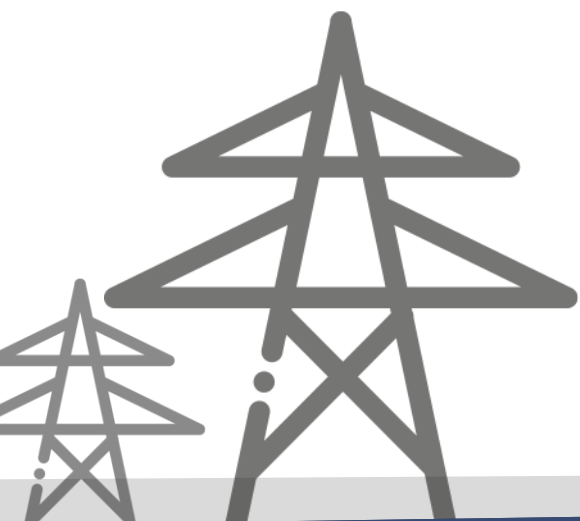
We have a **transmission investment pipeline of over \$35B** in various phases of development over the next 10 years (inclusive of current 5-year capital plan)

Capital Flexibility

Additional investments in the pipeline are currently being planned to ensure long-term capital investment flexibility

Future Growth Drivers

Integration of renewable resources, fossil-fuel generation retirements, regional reliability, inter-regional projects, customer interconnections, positive policy changes that influence inter-regional expansion and cost allocation





TRANSMISSION

DISTRIBUTION

REGULATED NEW GENERATION

Investments in Asset Renewal Strengthen and Enable the Grid of the Future

Asset renewal projects are prioritized based on performance, condition and risk

AEP Transmission Assets

Life Expectancy (Years)

Line Miles

Transformers

Circuit Breakers

Current Quantity Over Life Expectancy

Quantity That Will Exceed Life Expectancy in Next 10 Years

Total Replacement Need Over Next 10 Years

% of AEP System

Average Age (years)

2016 Year-End

End 2022 2nd Quarter

70

6,263

4,154

10,417

31%

Line Miles

52.5

45.8

60

191

151

342

29%

Transformers

36.1

30.9

50

726

281

1,007

11%

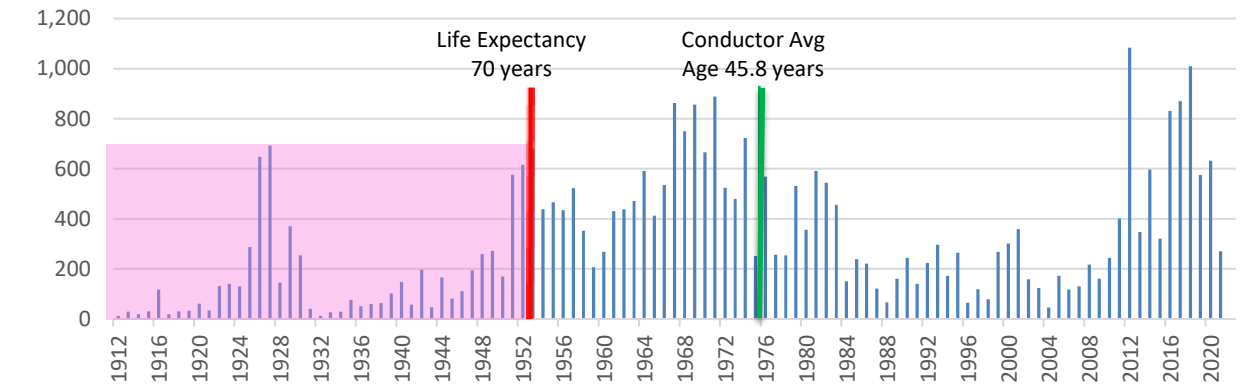
Circuit Breakers

22.9

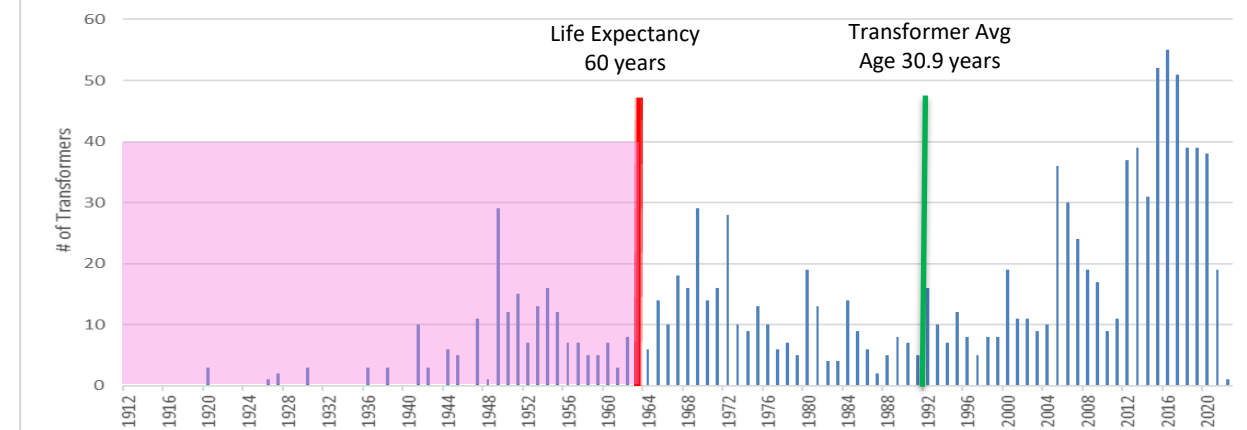
16.3

\$3B of annual on-system capital investment is required to replace and enhance all asset beyond life expectancy over the next 10 years

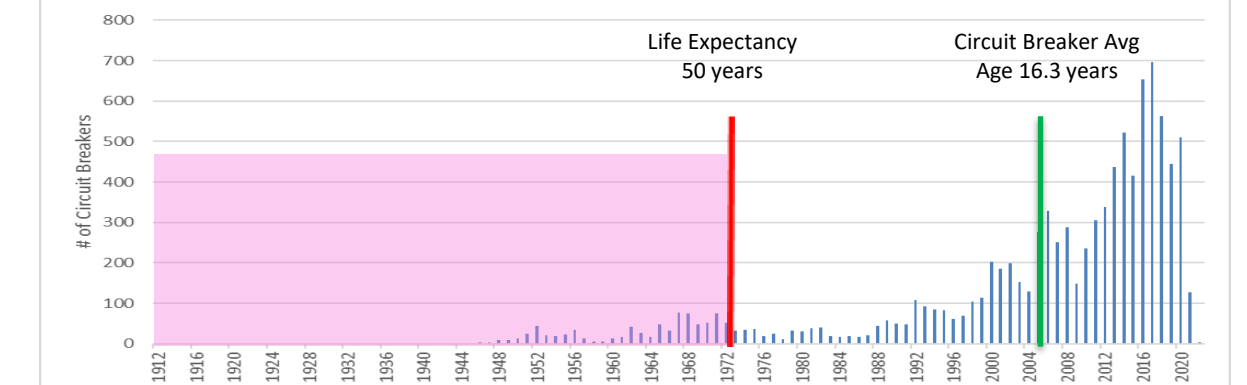
AEP T-Line Age Profile - (Line Mile Age based on oldest conductor age)



AEP Transmission Transformer Age Profile

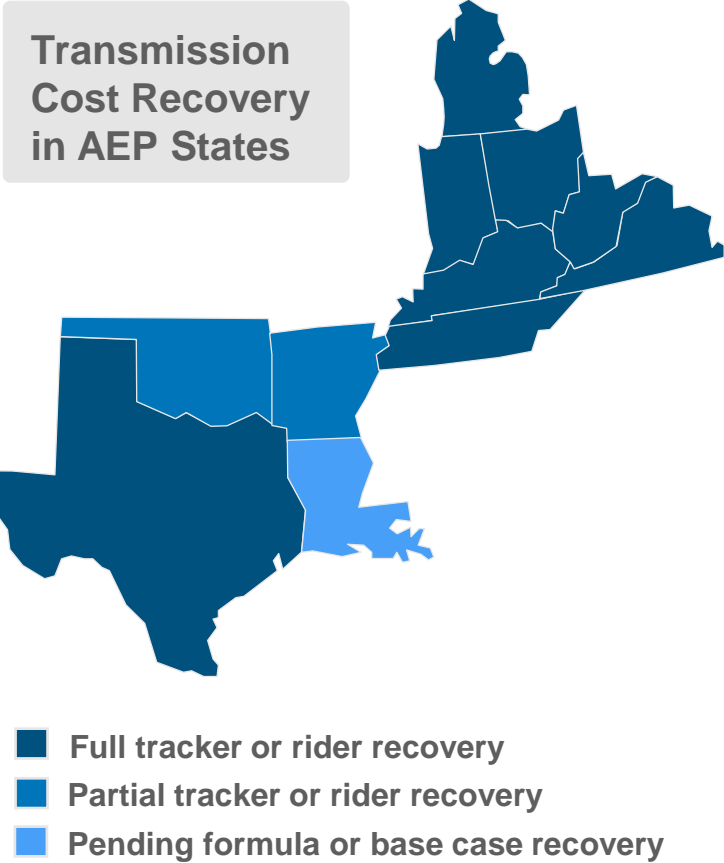


AEP Circuit Breaker Age Profile



Beyond Life Expectancy Range

Stable and Efficient Transmission Investment Recovery



ROE	9.85% Base + 0.50% RTO adder	10.0% Base + 0.50% RTO adder	9.4%
Forward Looking Rates	Yes	Yes	Capital updates allowed 2x per year (not forward looking)
Equity Layer	Capped at 55%	No Cap	Capped at 42.5%
Rate Approval Date	May 2019	June 2019	April 2020

Table data for ERCOT reflects AEP Texas subsidiary; AEP's ETT joint venture in ERCOT has 9.6% ROE, 40% equity layer with rate approved in January 2021.

~92% of transmission capital investment is recovered through state tracker/rider mechanisms

Undervalued Transmission Business

AEP's high-growth transmission business is stable, predictable and undervalued between 2x-20x our earnings, resulting in a significant opportunity for investors

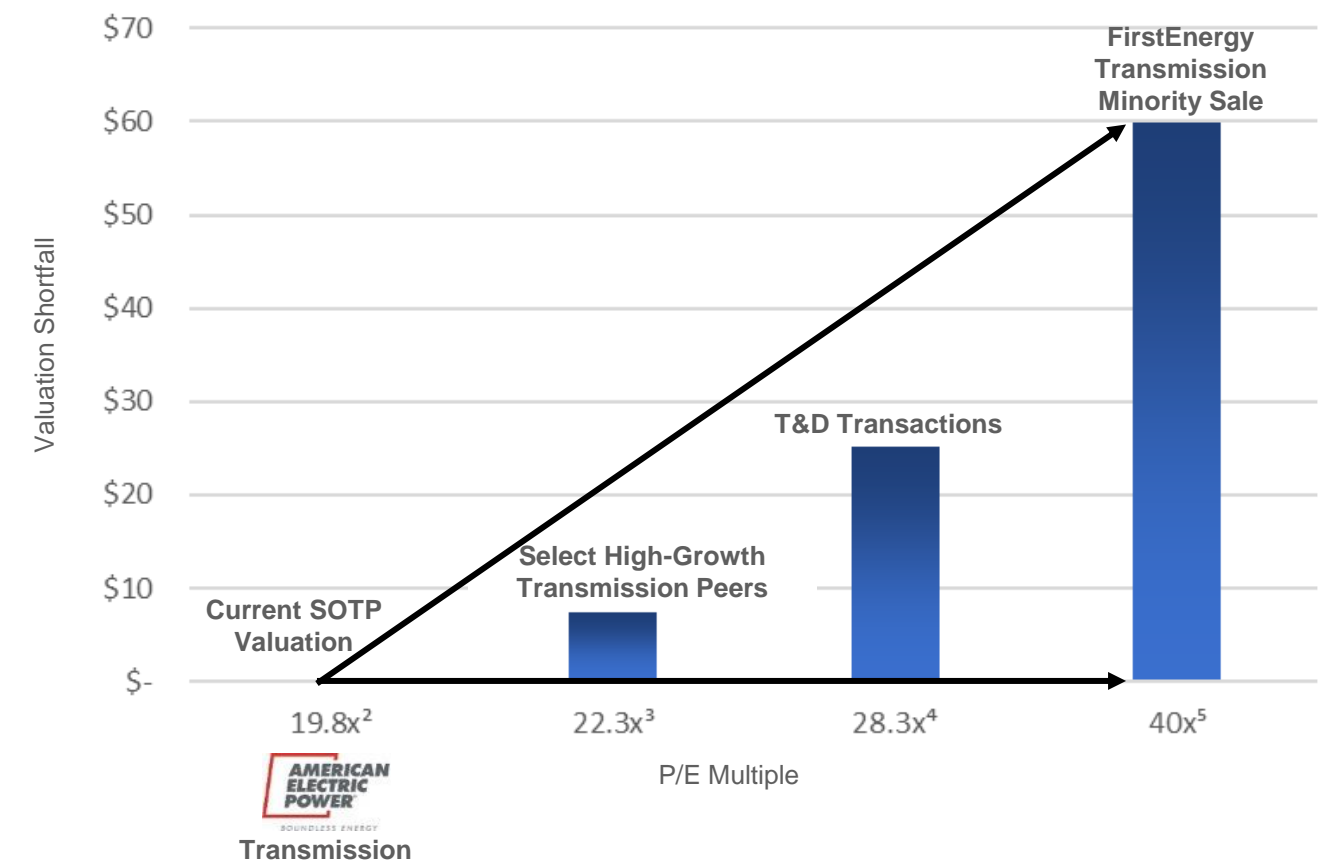
AEP derives more than 50% of its earnings per share from its transmission business

\$/share	AEP Trans Holdco	Transmission in AEP Operating Companies	Total AEP Transmission
Estimated 2024 EPS Contribution	\$1.49	\$1.48	\$2.97 ¹

AEP transmission has a superior capital investment growth rate, warranting a premium valuation

Transmission Gross Plant	2018 – 2027E
Compound Annual Growth Rate %	10.0%

Undervaluation of AEP Shares (2024E) (\$/share)



¹ Total 2024 AEP Transmission EPS contribution based upon midpoint of Trans Holdco 2024 expected EPS contribution plus 2024 estimated earnings contribution from transmission segment of AEP operating companies.

² AEP's Transmission business P/E multiple is derived from the average of recent sum-of-the-parts (SOTP) valuations for AEP Trans Holdco from Bank of America Merrill Lynch, UBS Securities and Credit Suisse.

³ Select high-growth transmission peers P/E multiple is derived from the average of recent SOTP valuations for the transmission-only subsidiaries of the following utilities (AEE, WEC, Fortis).

⁴ T&D transactions P/E multiple represents the median LTM multiples for applicable 2017-2022 transactions, as reported by an investment bank.

⁵ FirstEnergy Transmission LLC 19.9% sale valuation at 40x LTM P/E, as reported in FirstEnergy EEI Financial Conference slides – published November 8, 2021.



TRANSMISSION

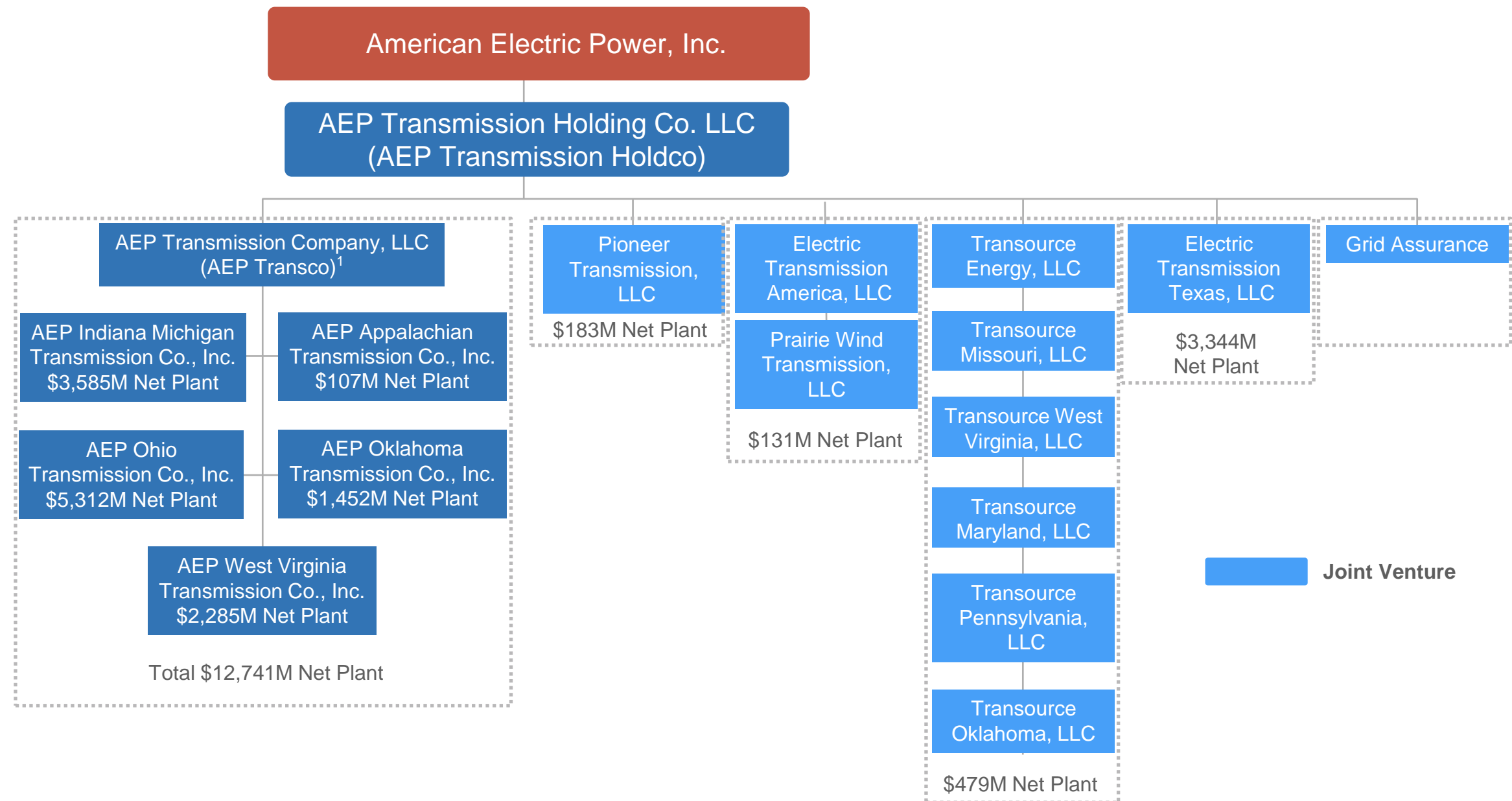
DISTRIBUTION

REGULATED NEW GENERATION

AEP Transmission Holdco Legal Entity Structure

AEP Transmission Company, LLC (AEP Transco) is wholly-owned by AEP Transmission Holding Company, LLC (AEP Transmission Holdco)

AEP Transmission Holdco is a wholly-owned subsidiary of American Electric Power Company, Inc. (AEP), one of the largest utility holding companies in the U.S.



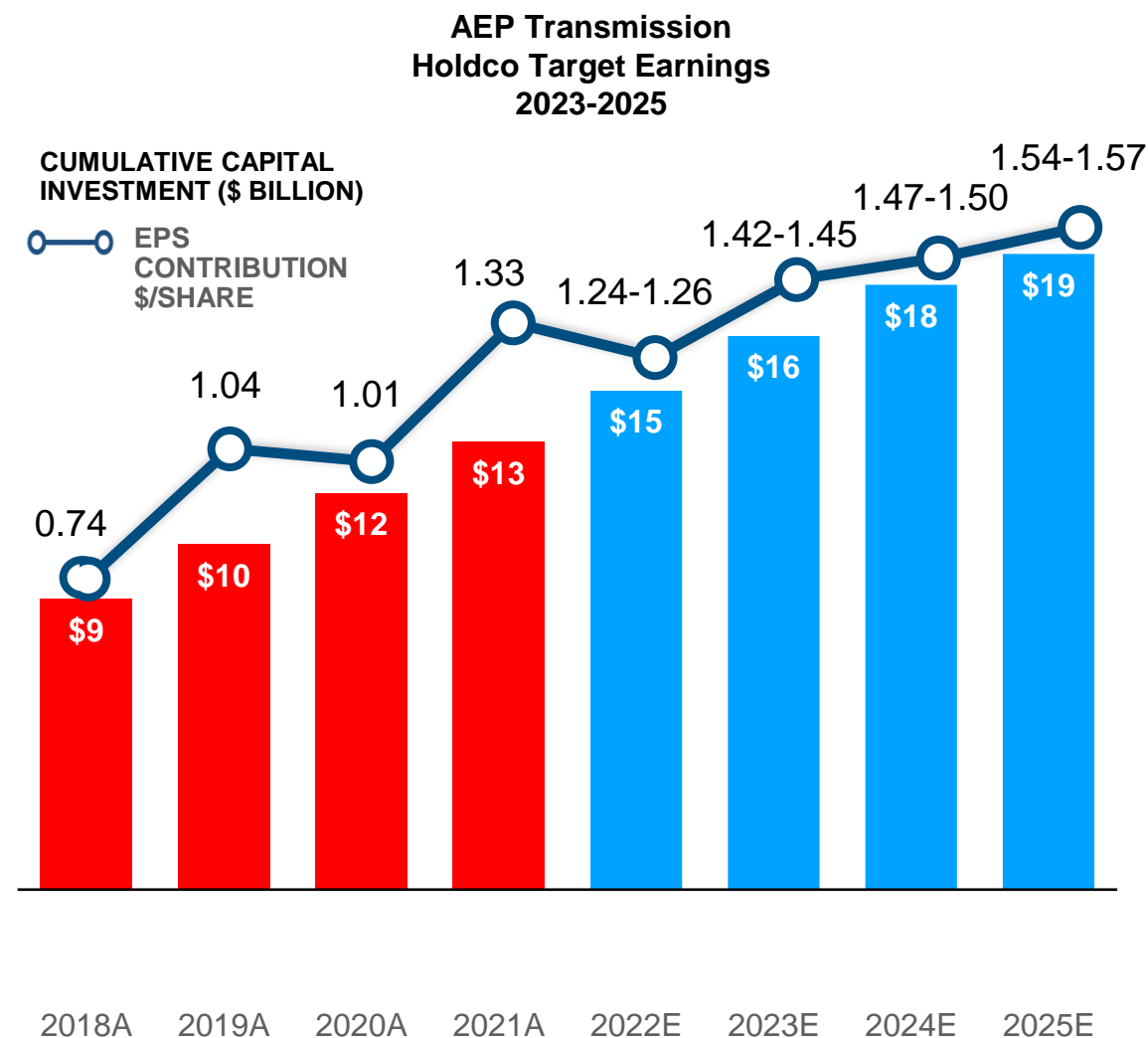
Joint Venture net plant balances are inclusive of non-affiliate share.

Net plant totals as of 9/30/2022.

¹ Debt issued at AEP Transco level for transmission companies.

AEP Transmission Holdco Delivering Significant Customer and Shareholder Value

Shareholder Benefits



For comparative purposes, data excludes Kentucky-related earnings.

Customer Benefits

Reducing customer costs

Enabling efficient economic dispatch of generation in each of our regions

Driving down emissions

Facilitating the fast and reliable interconnection of renewables to the grid to meet customer demand and public policy goals for clean energy

Improving reliability and security

Keeping the economy productive and connected by powering communication networks and electronics with reduced outages and a storm-hardened system

Creating economic benefits

Supporting economic development through construction projects that deliver community benefits including jobs, state and local taxes and economic stimulus

Competitive and Off-footprint Transmission Investments

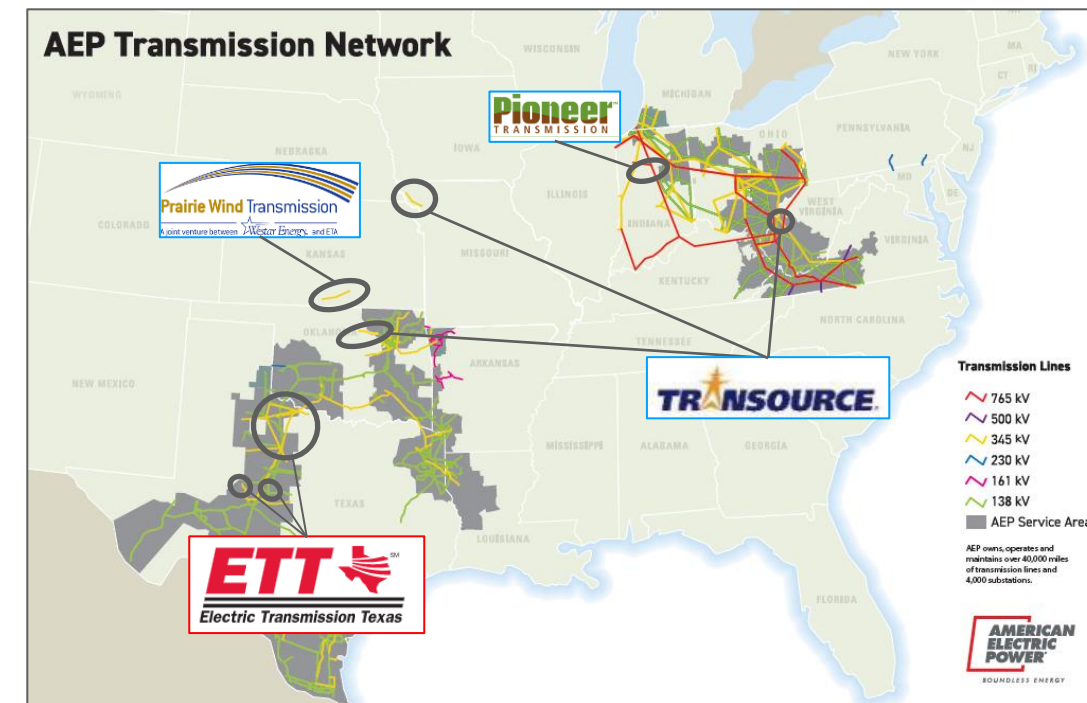
AEP Joint Venture Company	Estimated/Actual Project Cost as of 2023 (\$ in millions)	AEP Ownership (\$ in millions)	ROE & Capital Structure (Debt/Equity) ³
ETT ¹	\$ 3,900	\$ 1,800	9.6% ROE 60% / 40%
Transource ²	\$ 770	\$ 670	10.68% ROE 44% / 56%
Prairie Wind	\$ 158	\$ 40	12.8% ROE 45% / 55%
Pioneer	\$ 191	\$ 96	10.52% ROE 50% / 50%
Total	\$ 5,019	\$ 2,606	

¹ ETT investment includes the legacy AEP investments contributed to the venture.

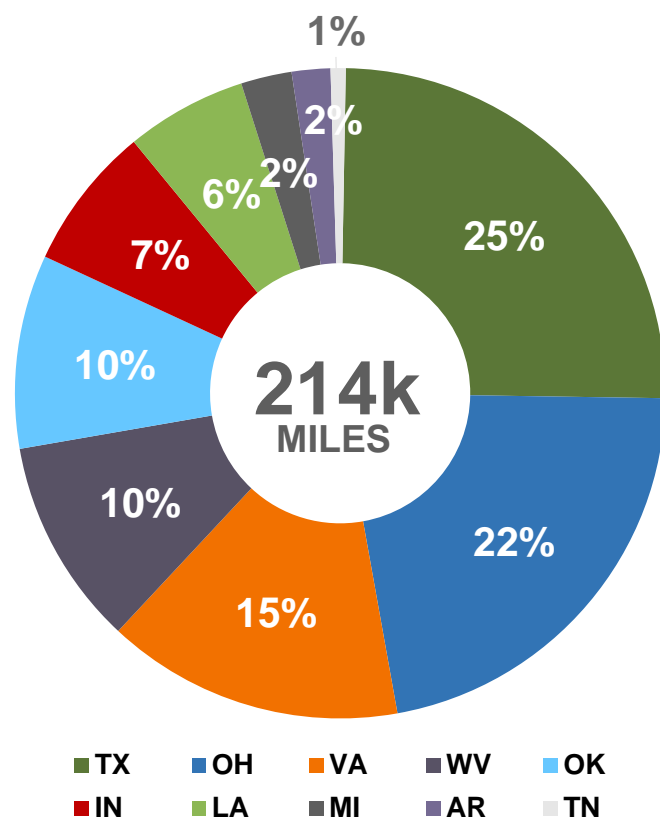
² Transource investment includes Transource Missouri, Transource West Virginia, Transource Pennsylvania, Transource Maryland and the estimated project cost of the awarded project in Oklahoma. IEC projects in Transource Pennsylvania and Transource Maryland were suspended in September 2021 and is approximately \$260M at completion.

³Transource ROE and capital structure reflect weighted blend of the operating companies.

AEP is the largest developer of competitive and off-footprint transmission in the U.S. and is well positioned to provide innovative solutions for future grid investment opportunities



Transforming the Distribution Grid



INVESTING IN THE DISTRIBUTION GRID OF THE FUTURE

Improve Reliability and Resiliency through Broad Asset Renewal and Reliability Investments

Significantly Enhance Reliability Performance Across All Operating Companies

Accelerate Service Delivery to All Customers through Enhanced Capacity Investments

Enable Economic Development, Electrification and Decarbonization Across Our Customer Base

Expand Operational Flexibility and Visibility through Targeted Telecommunications, Monitoring and Automation Investments

Enable a Seamless 2-way Exchange of Information and Energy and Optimize Operations for All Customers

AEP's distribution system is among the largest distribution systems in the U.S.

AEP DISTRIBUTION SYSTEM AT A GLANCE:

~214k
CIRCUIT MILES^{1,2}

2,300+
DISTRIBUTION
SUBSTATIONS²

\$10.8B
5-YEAR CAPEX
(2023-2027)

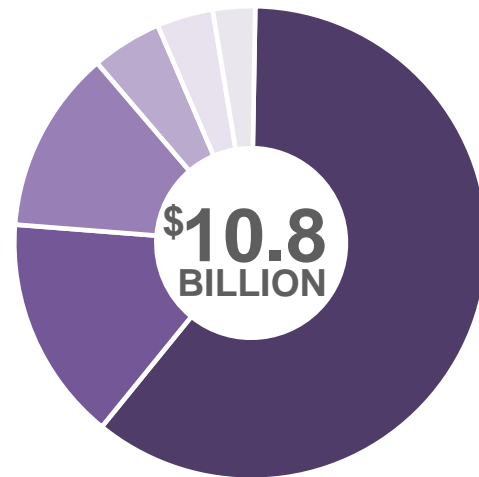
¹ Includes approximately 36,400 miles of underground circuits.

² As of year-end 2021.

Distribution Organic Growth Opportunity

AEP's expansive, aged distribution system provides significant opportunity for investment and we are developing a portfolio of projects to address system needs and ramping-up our capabilities to execute these projects

2023-2027 CAPEX



DRIVERS

CAPACITY EXPANSION, RELIABILITY AND MODERNIZATION

Asset renewal and reliability investments including pole, conductor, cutout, station transformer and breaker replacements and capacity additions

CUSTOMER REQUESTS

Investments for new service, upgrades, relocation

AUTOMATION AND TECHNOLOGY

Implementation of automated technology including distribution supervisory control and data acquisition, smart switches and reclosers, volt-var optimization and sensors

RESTORATION AND SPARING

Storm restoration and spare equipment

ADVANCED METERING (AMI)

Advanced metering technology for the remaining AEP customers

RURAL BROADBAND

Investment in fiber assets to provide middle mile broadband to rural communities and for company use

DISTRIBUTION PIPELINE

Robust Pipeline Under Development

Significant capital investment opportunity over the next 10-years to renew the distribution system, improve reliability and resilience, and expand operational capabilities

Capital Flexibility

Additional investments in the pipeline are currently being planned to ensure long-term capital investment flexibility

Future Growth Drivers

Electrification and higher penetration levels of distributed resources will drive additional distribution investment opportunities



Resource Plans Are Aligned with Climate Goals

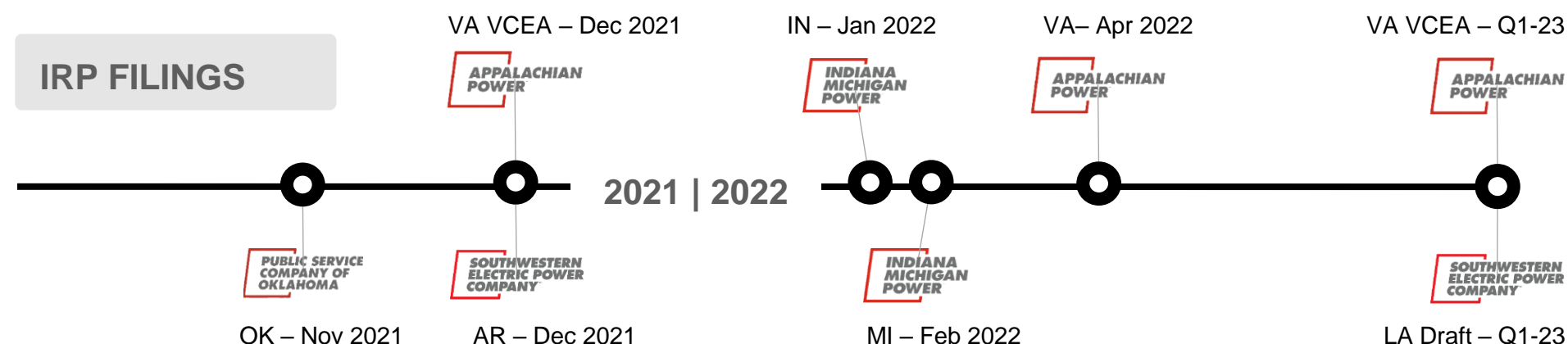
Current IRPs identify a significant need for new clean energy resources over the next 10 years

¹ Resource additions are from most recent Integrated Resource Plans (IRP) filings.

² Investments in renewables will be subject to market availability of viable projects and regulatory approvals.

³ Natural gas additions are peaking units and fuel switching that are primarily selected for capacity (i.e., expected low capacity factors).

IRP FILINGS



10-YEAR RESOURCE NEEDS

GENERATION ADDITIONS 2023-2032 (MW) ^{1,2}	SOLAR	WIND	STORAGE	NAT. GAS ³	TOTAL
APCo	1,020	1,154	250	-	2,424
I&M	1,300	800	60	1,000	3,160
PSO	2,550	2,800	-	-	5,350
SWEPCO	3,300	2,450	-	528	6,278
TOTAL	8,170	7,204	310	1,528	17,212

1.5 GW
North Central Wind
In-Service



~17 GW
2023-2032



~18.5 GW
New Generation Opportunity
Over Next 10-years

Regulated New Generation Investment Growth

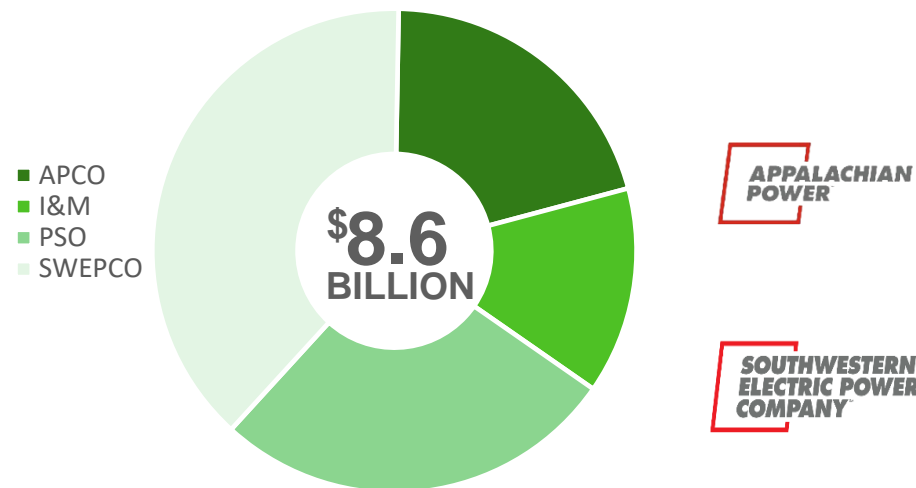
Continuing progress toward AEP's commitment to 80% CO₂ emissions reduction by 2030 and net-zero by 2045

¹ RFPs represent up-to MW capacity values.

² In February 2022, APCo issued an RFP for owned West Virginia sited solar/storage of 150 MW with a projected in-service date of YE24 – YE25.

³ RFP solicits bids for both owned projects and PPAs.

2023-2027 CAPEX



Resource	Project	MW	Projected In-Service Date	Status
Solar	Amherst / Virginia	5	Q4-22	Projects Approved: June/July 2022 Total investment: 409 MW / ~\$850M
Solar	Bedington / West Virginia	50	Q2-24	
Solar	Firefly / Virginia	150	Q3-24	
Wind	Top Hat / Illinois	204	Q3-25	
Wind	Diversion / Texas	201	Q4-24	Expected Order: 2023 Total investment: 999 MW / ~\$2.2B
Solar	Mooringsport / Louisiana	200	Q4-25	
Wind	Wagon Wheel / Oklahoma	598	Q4-25	

RFPs IN PROGRESS¹

RFP Issued	November 2021	January 2022 ²	March 2022 ³	September 2022
Wind	2,800 MW	1,000 MW	800 MW	1,900 MW
Solar / Storage	1,350 MW	100 MW	500 MW	500 MW
Reg. Filings and Approvals	Q4-22 – Q3-23	Q1-23 – Q3-23	Q1-23 – Q3-23	Q3-23 – Q3-24
Projected In-service Dates	YE24 – YE25	YE25	YE24 – YE25	YE25 – YE26

PUBLIC SERVICE COMPANY OF OKLAHOMA

APPALACHIAN POWER

INDIANA MICHIGAN POWER

SOUTHWESTERN ELECTRIC POWER COMPANY

REGULATED GENERATION PIPELINE

~17 GW Pipeline

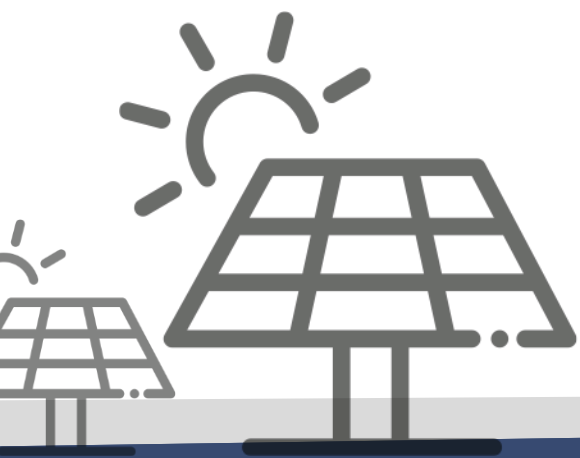
Long-term investment potential beyond current 5-year plan

Capital Flexibility

Investments contingent upon markets and regulatory approvals and are backed-up by a flexible pipeline of T&D investments

Growth Drivers

Generation needs coupled with new federal legislation support our clean energy goals and extend our investment runway



IRA Provides a Clean Energy Investment Tailwind



Tax credits extend the runway for clean energy investments and will significantly drive down costs to customers

- Long-term extension of clean energy tax credits and reinstatement of the full credit value
- Establishment of a new energy storage tax credit
- Establishment of a nuclear generation tax credit
- Bonus credits for qualifying projects



Tax credit package is advantageous for utility ownership of clean energy investments

- Normalization inefficiencies are addressed through the implementation of the solar PTC and technology-neutral PTC as well as the opt-out provision within the storage ITC
- The tax credits are transferrable which limits potential tax credit utilization inefficiencies
- Bonus credits for locating assets in existing energy communities



Provides flexibility to invest in other clean energy resource types and new technologies

- Credits transition to technology-neutral tax credits over time



Provides incentives for advanced manufacturing which can lead to economic growth in the communities in which we serve



Regulatory Initiatives

Regulatory Timeline of Kentucky Sale

Current Rate Case Activity

Actively Managing Fuel Cost Impacts

Actions to Close the ROE Gap

Review of Multi-jurisdictional Regulatory Constructs

Economic Development Project Highlights

Recent AEP Reshoring Successes





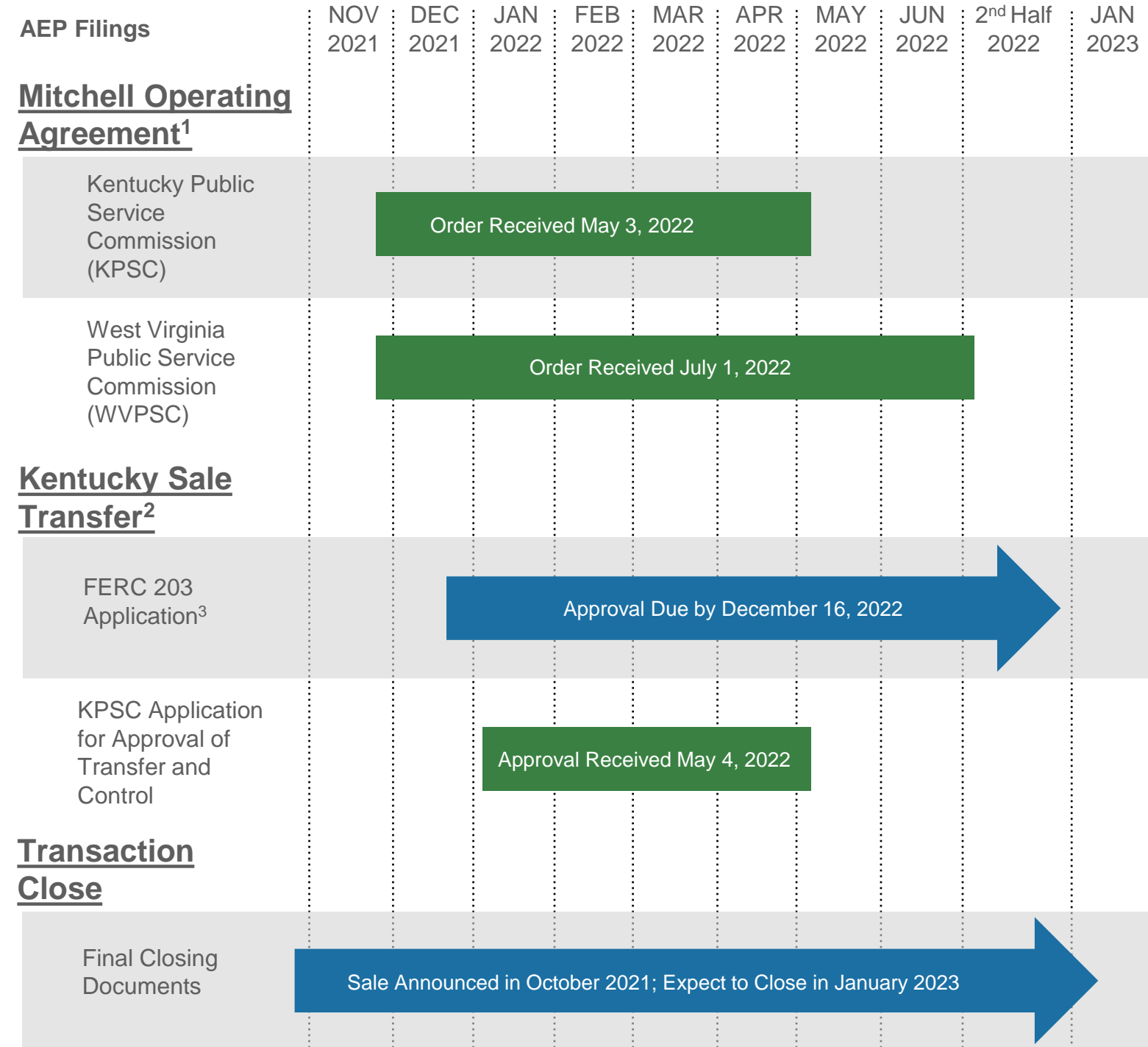
Regulatory Timeline of Kentucky Sale

In October 2021, AEP entered into an agreement to sell its Kentucky operations to Liberty (Algonquin Power & Utilities); FERC 203 approval is due by 12/16/2022 under federal rules and the sale is expected to close in January 2023 following FERC 203 approval

¹ On 7/11/2022, AEP made a compliance filing as required by WVPSC stating its plan to move forward under the existing Mitchell Operating Agreement to implement the near-term operational changes directed by WVPSC and KPSC. AEP also filed an update with KPSC sharing the same information. On 9/1/2022, AEP filed updates with the commissions providing resolutions adopted by the Mitchell Operating Committee consistent with the 7/11/2022 compliance filing.

² Committee on Foreign Investment in the United States and Hart-Scott-Rodino review; clearance from both was obtained in January 2022.

³ On 6/17/2022, FERC issued a brief order exercising its ability to take up to 180 additional days to act on the 203 application in order to afford time for consideration.



Mitchell Operating Agreement Update:

- Filings made July 11, 2022 with Commissions
- Move forward under existing Mitchell Operating Agreement

Kentucky Sale Transfer Update:

- FERC 203 approval is in process and due by December 16, 2022

Transaction Close Update:

- Agreement to close in January 2023 following FERC 203 approval, allowing stakeholders to properly plan for the transition



Current Rate Case Activity



APCo – Virginia

Docket #	PUR-2020-00015
Filing Date	3/31/2020
Requested Rate Base	\$2.5B
Requested ROE	9.9%
Cap Structure	50%D / 50%E
Gross Revenue Increase	\$65M (Less \$27M D&A)
Net Revenue Increase	\$38M
Test Year	12/31/2019
<u>Commission Order Summary</u>	
Original Order Received ¹	11/24/2020
Original Effective Date ¹	1/23/2021
Revised Order Received ²	8/22/2022
Revised Effective Date ²	10/1/2022
ROE	9.2%
Cap Structure	50%D / 50%E
Revised Net Revenue Increase	\$37M

¹ APCo immediately filed an appeal of the commission order with the Virginia Supreme Court after the November 2020 order.

² 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.

³ This filing provided notice of re-election for rate regulation under a formula rate review mechanism.

⁴ Includes proposed pro-forma adjustment to plant-in-service through 12/31/2020.

⁵ In January 2022, an unopposed motion was filed to stay the hearing as parties engage in settlement discussions.



SWEPCO – Arkansas³

Docket #	21-070-U
Filing Date	7/23/2021
Requested Rate Base	\$1.56B
Requested ROE	10.35%
Cap Structure	48.7%D / 51.3%E
Gross Revenue Increase	\$85M (Less \$29M D&A)
Net Revenue Increase	\$56M
Test Year	4/30/2021
<u>Commission Order Summary</u>	
Order Received	5/23/2022
Effective Date	7/1/2022
ROE	9.5%
Cap Structure	55%D / 45%E
Gross Revenue Increase	\$49M (Less \$21M D&A)
Net Revenue Increase	\$28M



SWEPCO – Louisiana

Docket #	U-35441
Filing Date	12/18/2020
Requested Rate Base	\$2.1B
Requested ROE	10.35%
Cap Structure	49.2%D / 50.8%E
Gross Revenue Increase	\$114M (Less \$41M D&A)
Net Revenue Increase	\$73M
Test Year	12/31/2019 ⁴
<u>Procedural Schedule</u>	
Hearing	Note 5
Expected Commission Order	Q4-22

Actively Managing Current Fuel Cost Impacts

Adapting fuel clause recovery with a focus on customer impacts

APCo VA

- Current Mechanism: 12-month fuel clause to reset and account for prior year
- Adjustment: Reset base of fuel level and seek a 24-month recovery with carrying charge on under-recovered balance (September 2022)

APCo/WPCo WV

- Current Mechanism: 12-month fuel clause to reset and account for prior year, case currently open
- Adjustment: Contemplating securitization of outstanding balance, rate increase to going level cost

PSO OK

- Current Mechanism: 12-month fuel clause to reset and account for prior year
- Adjustment: Reset base of fuel level for 15-month period of October 2022-December 2023 which includes 27 months to recover under recovered balance

SWEPCO AR

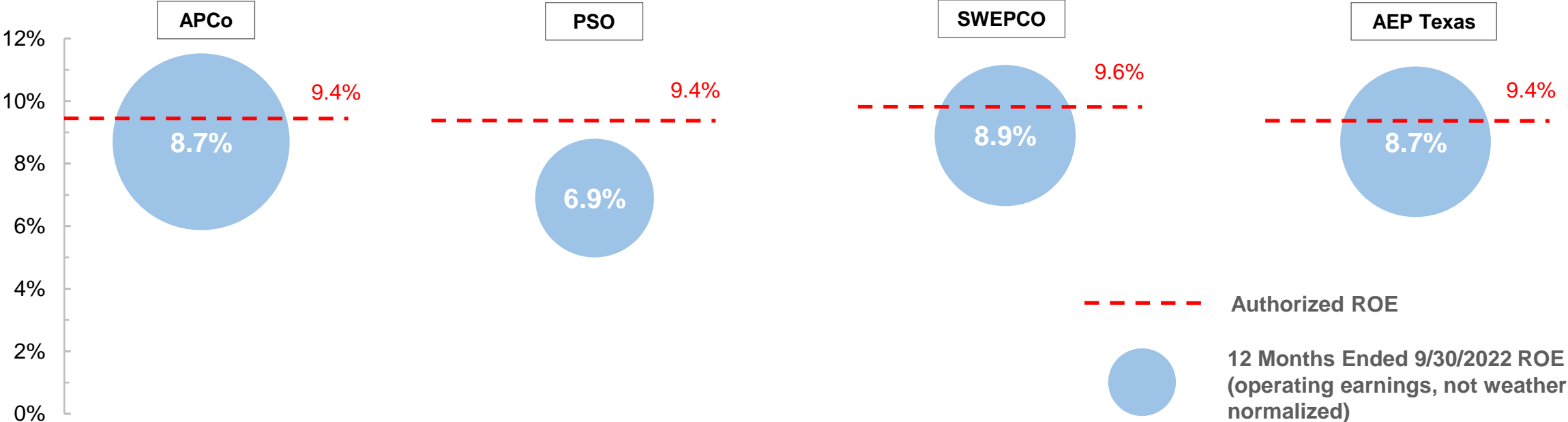
- Current Mechanism: 12-month fuel clause to reset and account for prior year filed annually in March, effective for April bills
- Adjustment: Filed an interim factor effective October 2022 to recover the under recovery in a 6-month surcharge; this makes the increase effective during the lower winter seasonal rate

SWEPCO TX

- Current Mechanism: SWEPCO may update its factor up to three times per year in a process resetting fuel (filed only in January, May, and/or September); this is not done every year
- Adjustment: For emergency situations, a utility can file for temporary relief of costs without updating the fuel factor; SWEPCO filed under this clause in October 2022 to collect under recovered balance over a 12-month period, starting in January 2023

Actions to Close the ROE Gap

Focus on achieving authorized ROEs in all operating companies



Other ROEs – 12 Months Ended 9/30/2022:

- AEP Ohio – authorized 9.7% vs earned 10.1%.
- I&M – authorized 9.7% vs. earned 10.4%.
- AEP Transmission Holdco – authorized 10.4% vs. earned 10.5%.

Authorized ROE in multijurisdictional companies estimated by weighting various jurisdictional factors.

ACTION PLANS TO CLOSE GAP			
APCo	PSO	SWEPCO	AEP Texas
<ul style="list-style-type: none"> WV: Rate base and renewables capital trackers in place VA: G, T, broadband, EE, RPS and DR trackers recover most incremental investment; triennial process for balance of recovery Implement VA triennial rate adjustment pursuant to VA Supreme Court ruling in APCo’s favor Filing new VA triennial in 2023 	<ul style="list-style-type: none"> Base cases for majority of recovery require continued filings Next base case to be filed late-2022; will pursue approval of more efficient cost recovery mechanisms (i.e. similar to peer formula rate request) and continuation or expansion of T&D trackers G tracker for future renewables In 2022 – Securitization of Winter Storm Uri costs and North Central rates in place 	<ul style="list-style-type: none"> TX – G, T and D trackers in place Timing of formula rate updates and new generation in-service dates to minimize lag In 2022 – AR formula rate plan in place In 2022 – Turk CCN filing and rider request in AR Finalize LA rate case and implement formula rate going forward 	<ul style="list-style-type: none"> Bi-annual TCOS filings recover significant capital investment Annual DCRF filings recover D-related capital Pursuing regulatory and legislative options to further close gap Reviewing rate structures for 2024 rate case filing

Review of Multi-jurisdictional Regulatory Constructs

Allows customers and states greater flexibility in generation transformation

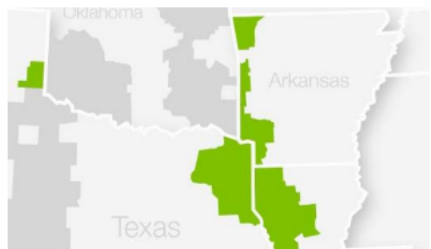
APCo

Owned Generating Capacity	7,409 MW
PPA Capacity	919 MW
Generating & PPA Capacity by Fuel Mix	
Coal	64.5%
Natural Gas	19.1%
Hydro & Wind	16.4%



SWEPCO

Owned Generating Capacity	5,298 MW
PPA Capacity	469 MW
Generating & PPA Capacity by Fuel Mix	
Coal	45.5%
Natural Gas	41.8%
Wind	12.7%



Recent State-level Divergence and Need:

- ELG investments for existing coal assets facing initial differences between Virginia and West Virginia regulators
- Virginia Clean Energy Act (VCEA) mandated renewables now being planned and built to serve Virginia-jurisdictional customers
- Customer Focus – Develop renewables tariff and contract offerings to meet customer needs and support economic development
- Studying the Future – Reviewing IRA options and infrastructure support for new potential options in Appalachia

Recent State-level Divergence and Need:

- Arkansas portion of Turk was never included in rates due to Arkansas Supreme Court ruling; presenting the commission an option to allow customers to benefit from physical hedge provided by Turk
- North Central Wind declined in Texas and flexed up in Louisiana and Arkansas; costs/benefits of resource being direct assigned by states
- SPP recently raised reserve margin from 12% to 15%, driving further need for new supply for SWEPCO

Reviewing current construct to ensure individual states and AEP alignment on generation supply

- Reviewing path to dedicated state-by-state resources
- Determining process to organize resource mix based on state policy
- Applying lessons learned in past execution to manage the generation fleet

Economic Development Project Highlights: 2021-2022

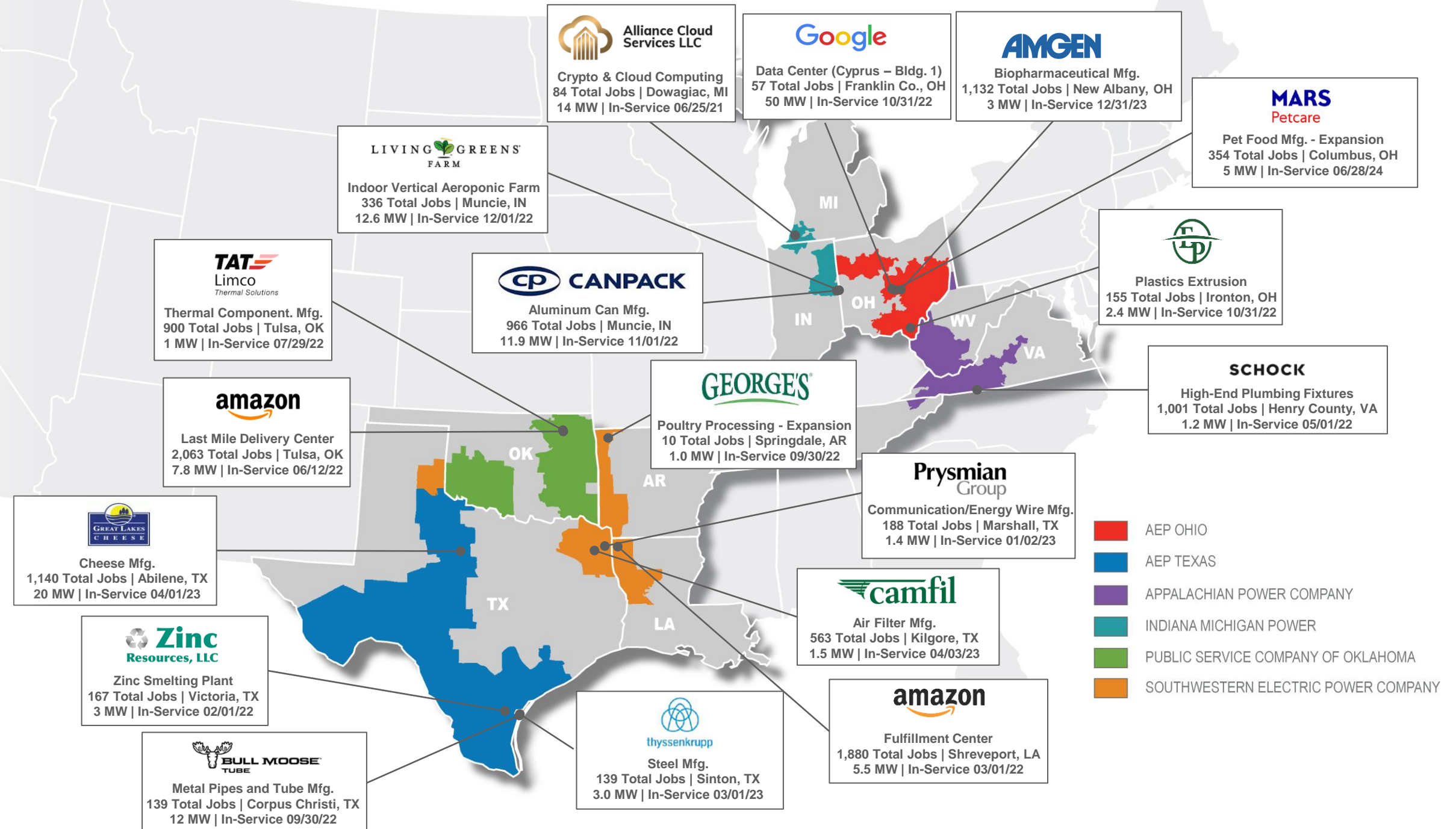
AEP has an attractive
service territory for
economic development

Summary

23,500 direct jobs

59,200 total jobs

1,555 MW of load from
2021-2022 pipeline



Recent AEP Reshoring Successes

Parts of AEP service territory in OH, VA and WV may be eligible for recently announced federal tax credits from the IRA

Nucor (APCo)

- The largest single investment in West Virginia history. Site chosen because of high voltage infrastructure, AEP's proven ability to serve large loads and AEP's excellent customer service.
- 800 jobs (plus 1,000 construction jobs) and 375-400 MW of new load.

Intel (AEP Ohio)

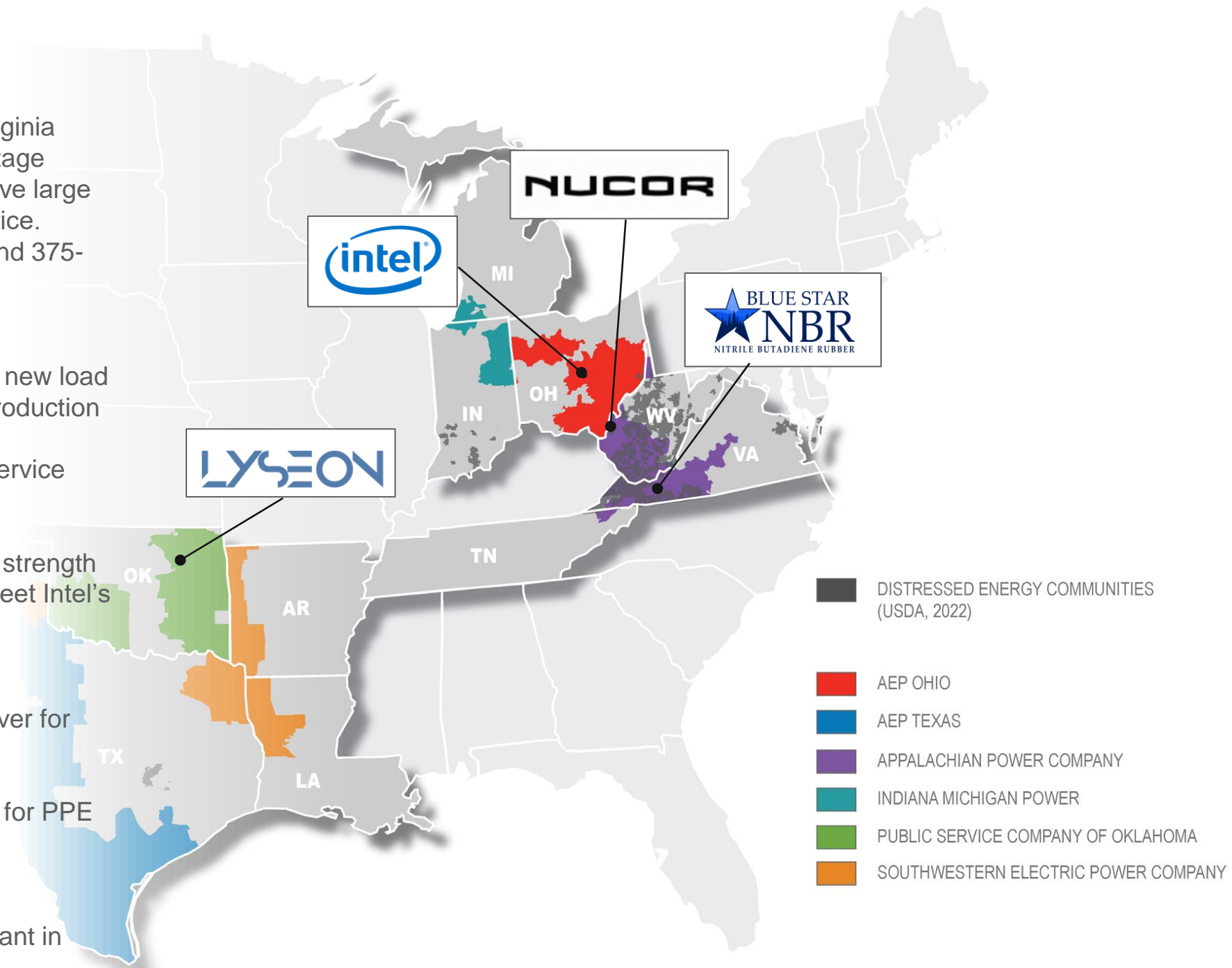
- \$20B investment will result in 360 MW of new load and 3,000 jobs at the 1st Midwest chip production plant.
- Property being annexed into AEP Ohio service territory.
- The site was selected because of AEP's competence in serving large loads, team strength and depth, and demonstrated ability to meet Intel's unique needs.

Blue Star NBR (APCo)

- Largest economic development project ever for Southwest Virginia.
- 2,400 new jobs and 15 MW of new load.
- Supported by Federal dollars designated for PPE production.

Lyseon North America (PSO)

- Automotive supplier to Navistar/IC bus plant in Tulsa, OK for electric buses.
- Locating in large vacant facility at Tulsa Port of Catoosa.





Well-positioned Regulated Companies

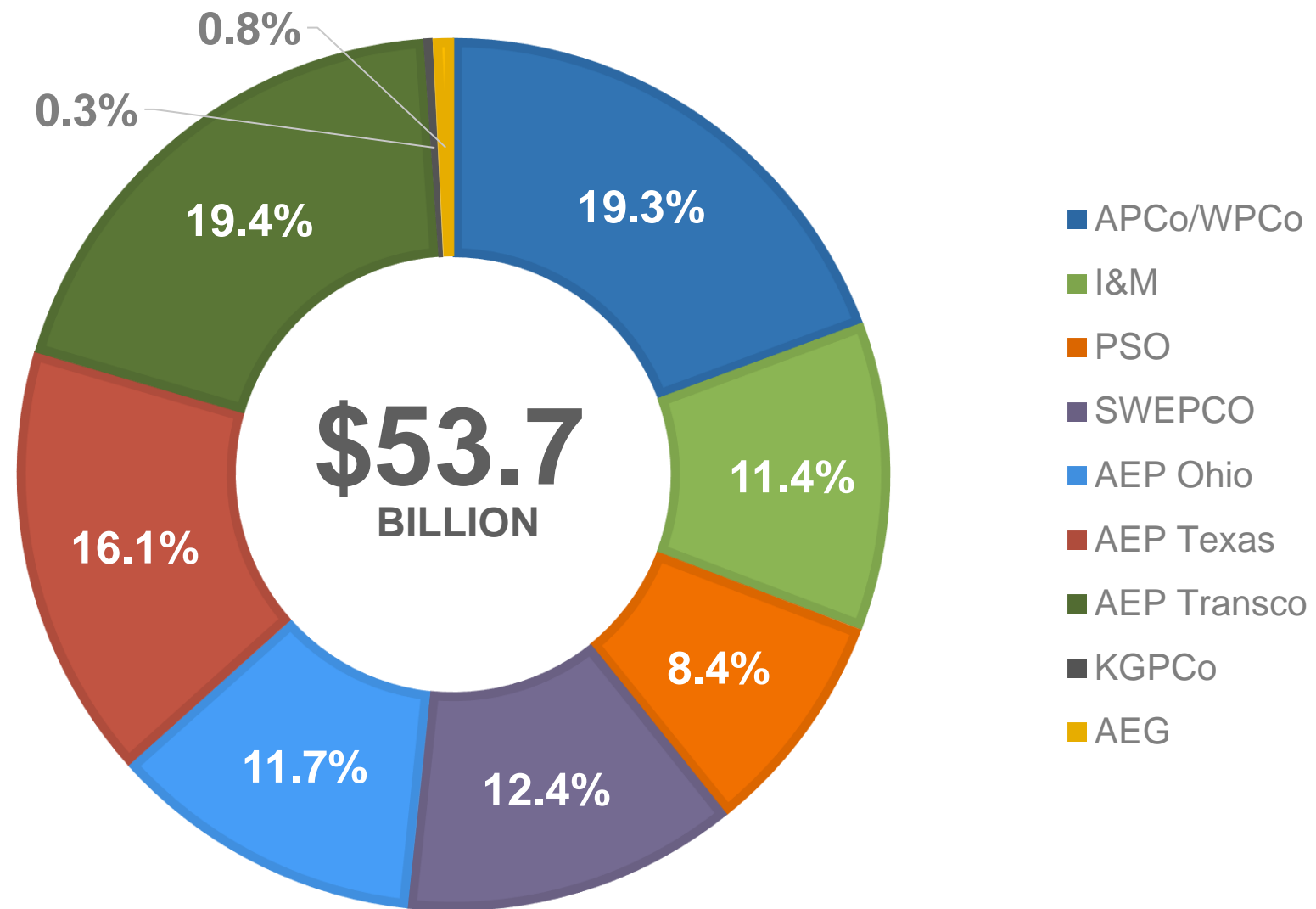
Composition of Rate Base by Operating Company

Rate Base, Load and Capital by Operating Company



Composition of Rate Base by Operating Company

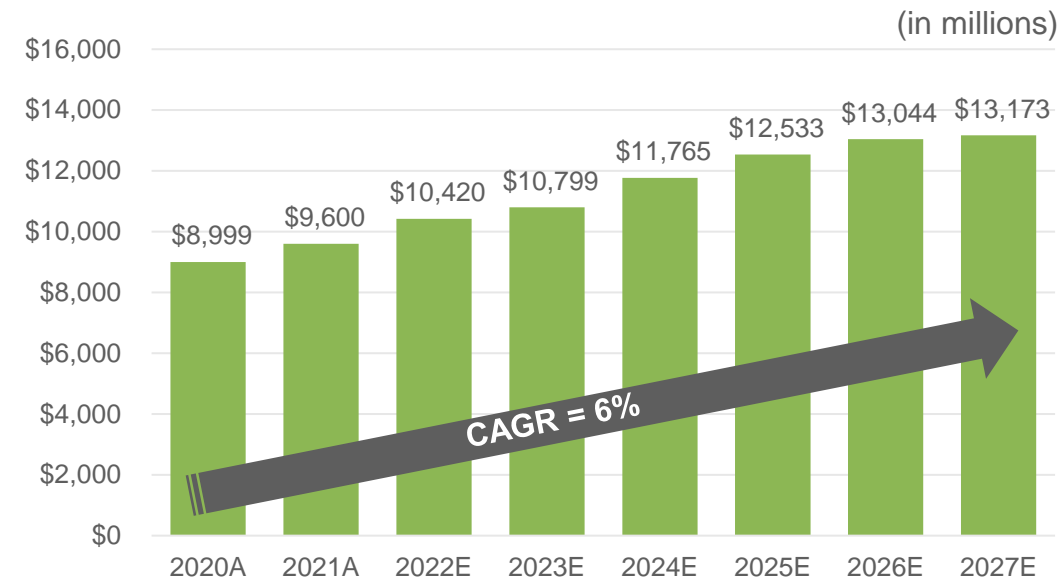
Rate base as of 12/31/2021



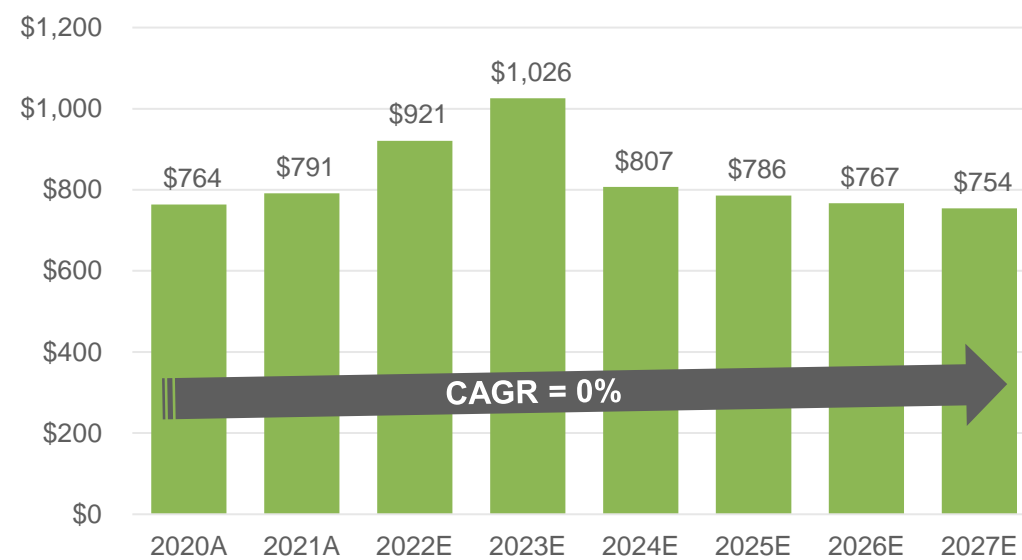


Appalachian Power and Wheeling Power Companies

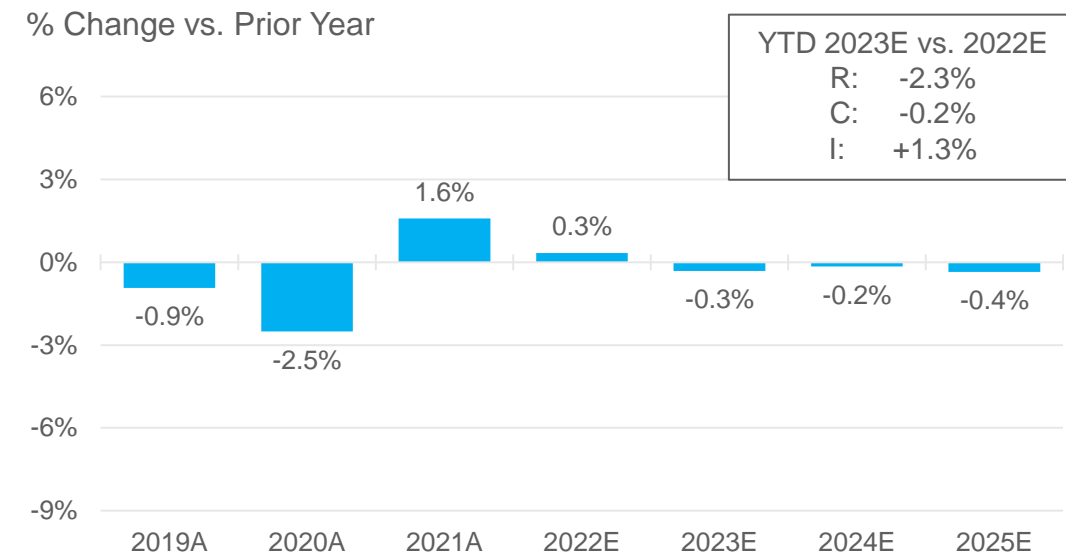
APCo Projected Rate Base Proxy



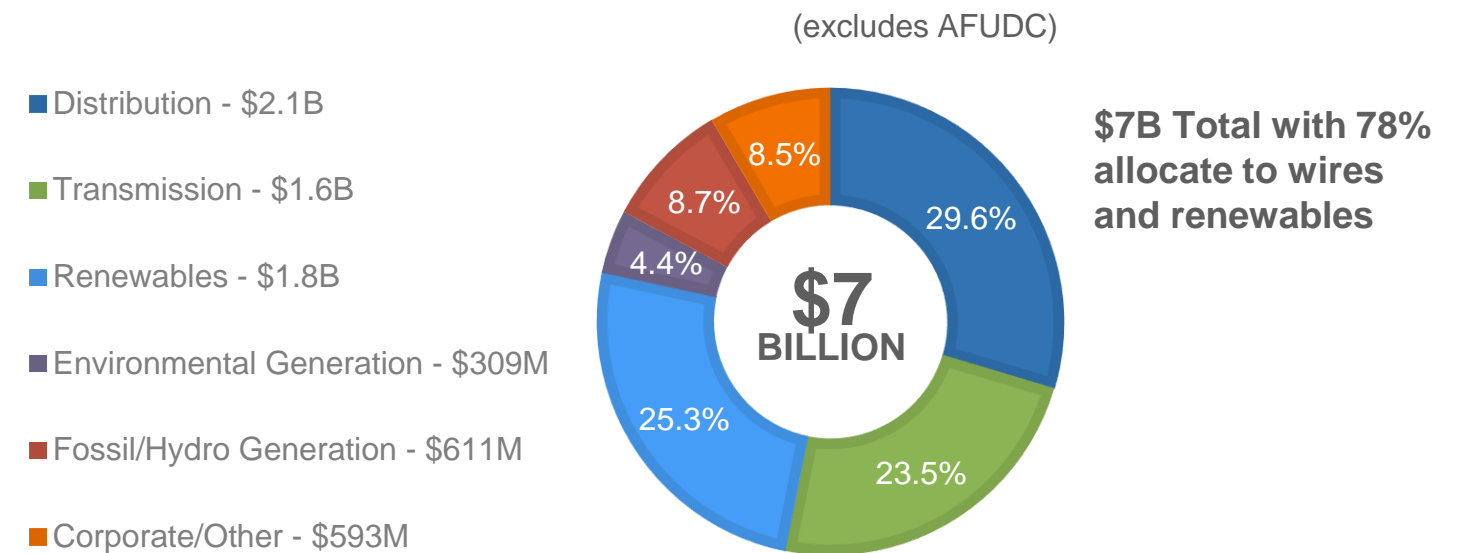
WPCo Projected Rate Base Proxy



APCo/WPCo Normalized GWh Sales



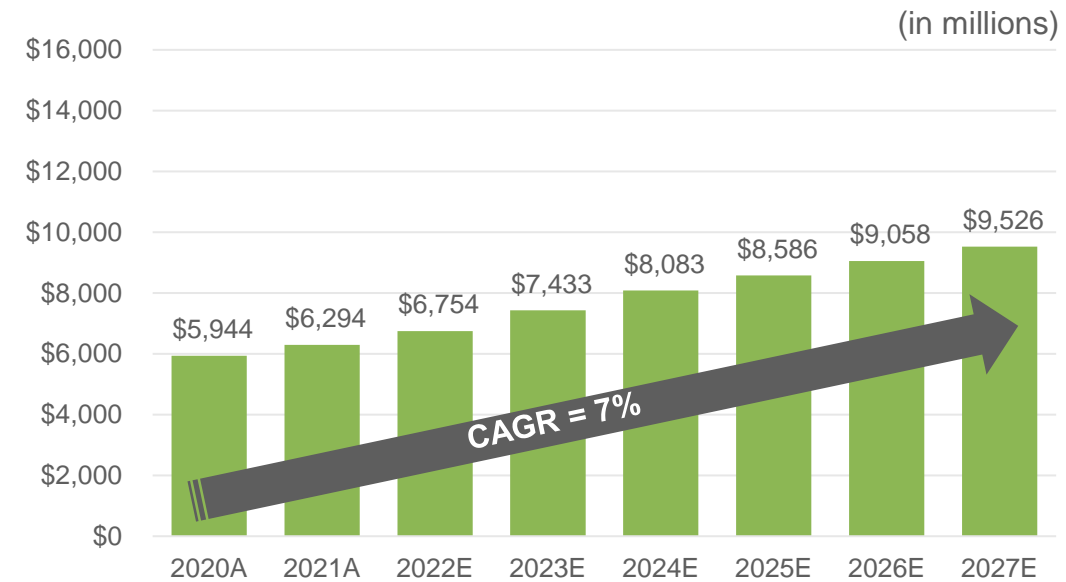
APCo/WPCo 2023-2027 Capital by Function



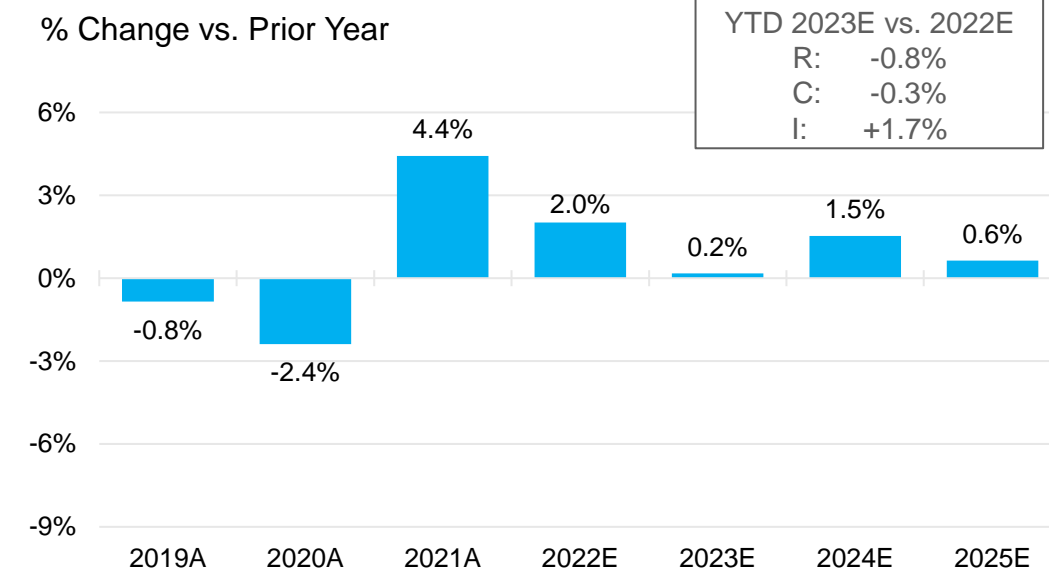


AEP Ohio

AEP Ohio Projected Rate Base Proxy



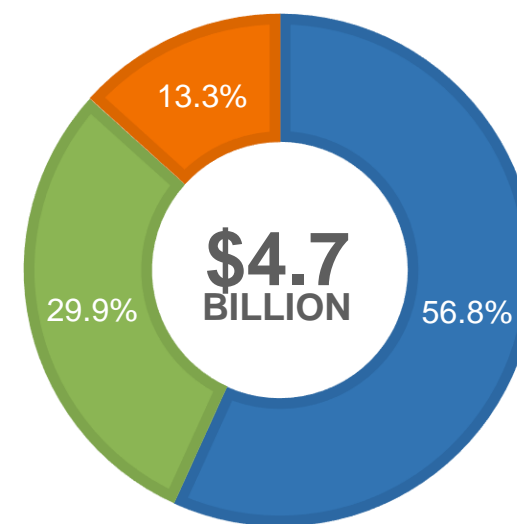
AEP Ohio Normalized GWh Sales



AEP Ohio 2023-2027 Capital by Function

(excludes AFUDC)

- Distribution - \$2.7B
- Transmission - \$1.4B
- Corporate/Other - \$631M

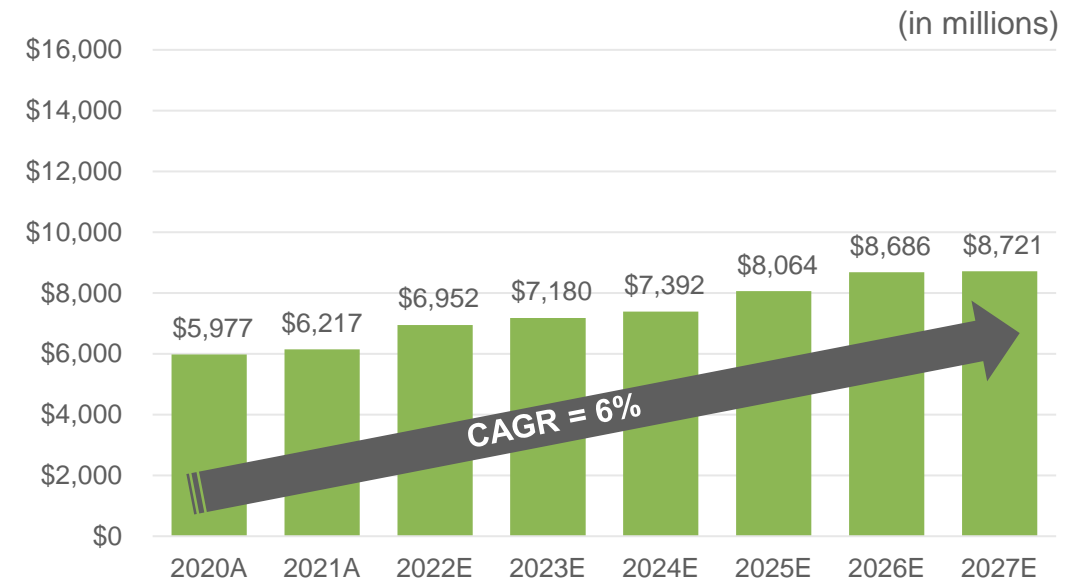


\$4.7B Total with 87% allocate to wires



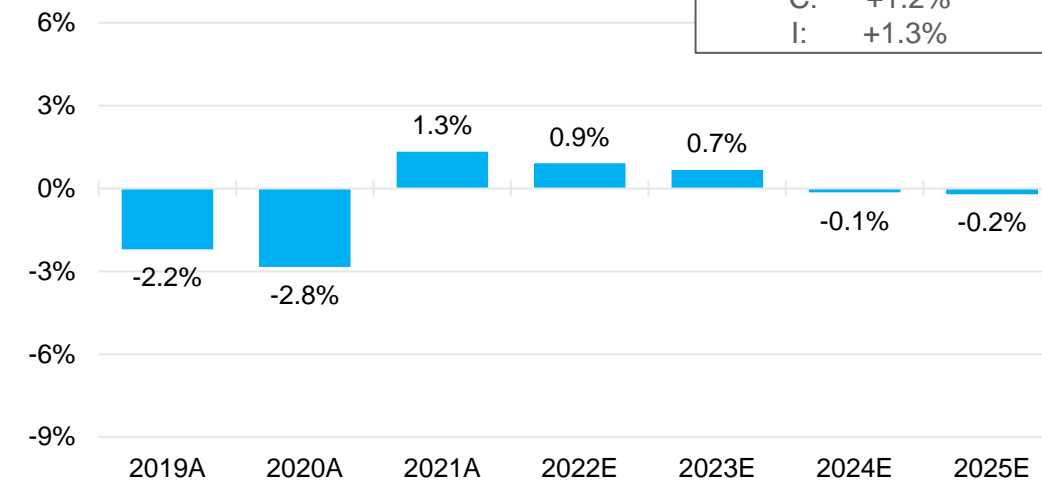
Indiana Michigan Power Company

I&M Projected Rate Base Proxy



I&M Normalized GWh Sales

% Change vs. Prior Year

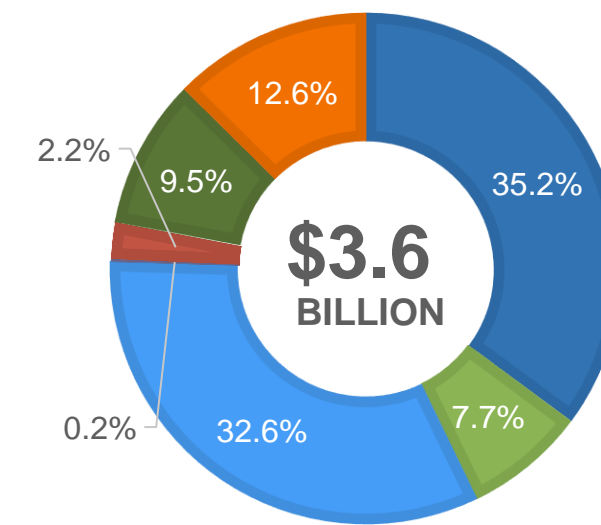


I&M 2023-2027 Capital by Function

(excludes AFUDC)

\$3.6B Total with 76% allocate to wires and renewables

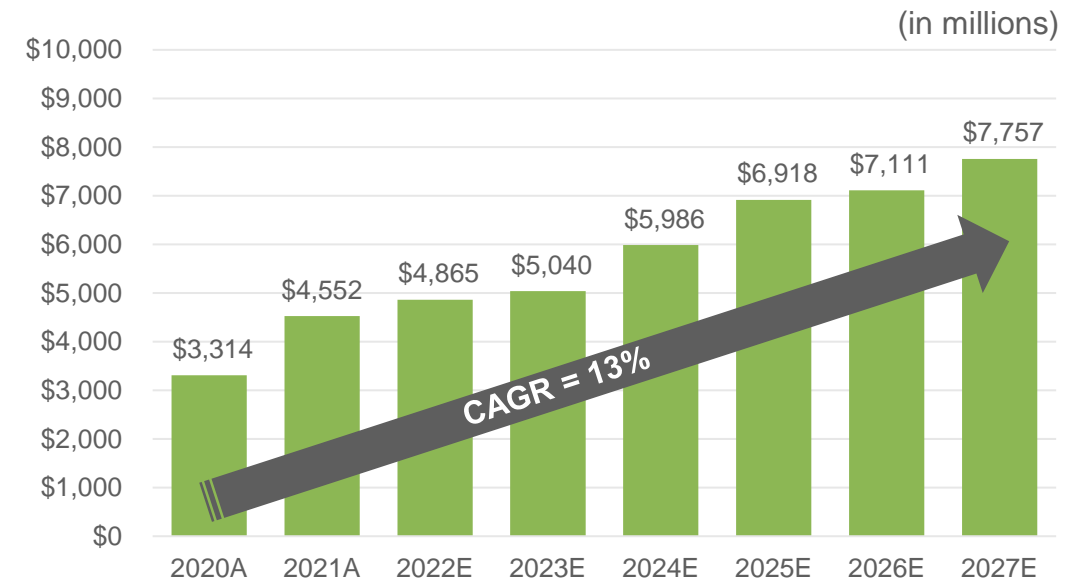
- Distribution - \$1.3B
- Transmission - \$280M
- Renewables - \$1.2B
- Environmental Generation - \$8M
- Fossil/Hydro Generation - \$81M
- Nuclear Generation - \$346M
- Corporate/Other - \$459M





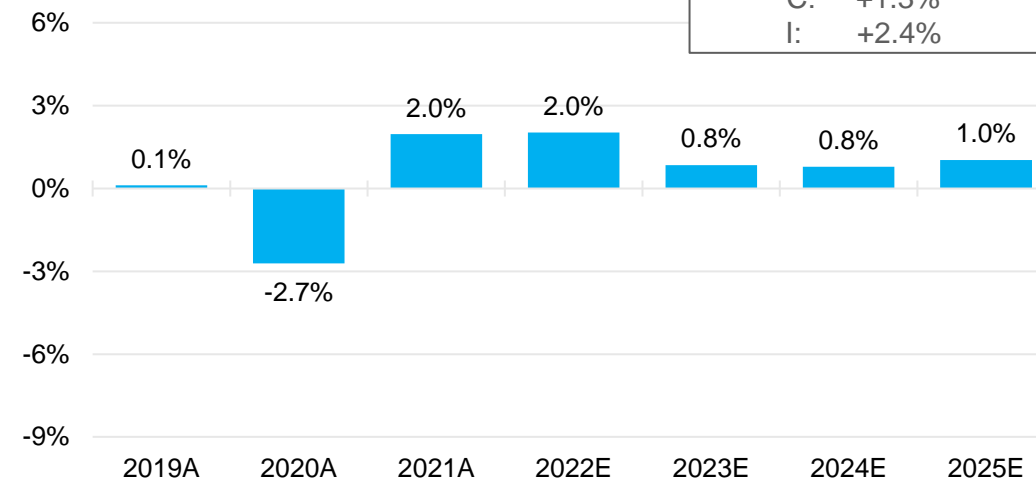
Public Service Company of Oklahoma

PSO Projected Rate Base Proxy



PSO Normalized GWh Sales

% Change vs. Prior Year

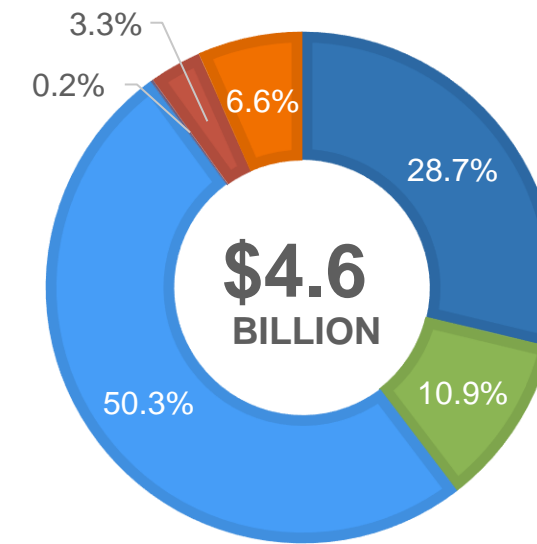


PSO 2023-2027 Capital by Function

(excludes AFUDC)

**\$4.6B Total with 90%
allocate to wires and
renewables**

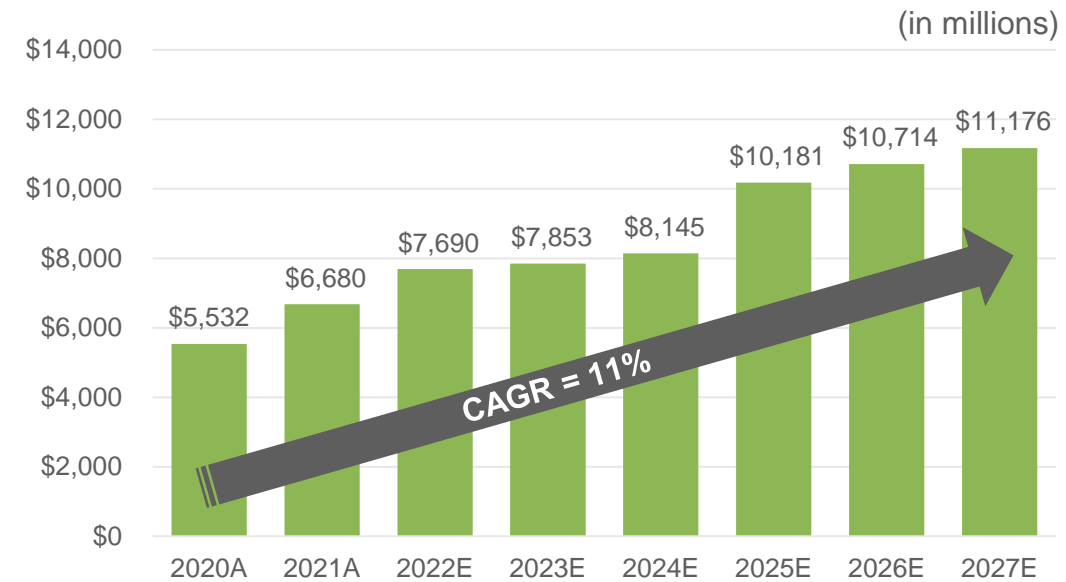
- Distribution - \$1.3B
- Transmission - \$506M
- Renewables - \$2.3B
- Environmental Generation - \$8M
- Fossil/Hydro Generation - \$152M
- Corporate/Other - \$306M





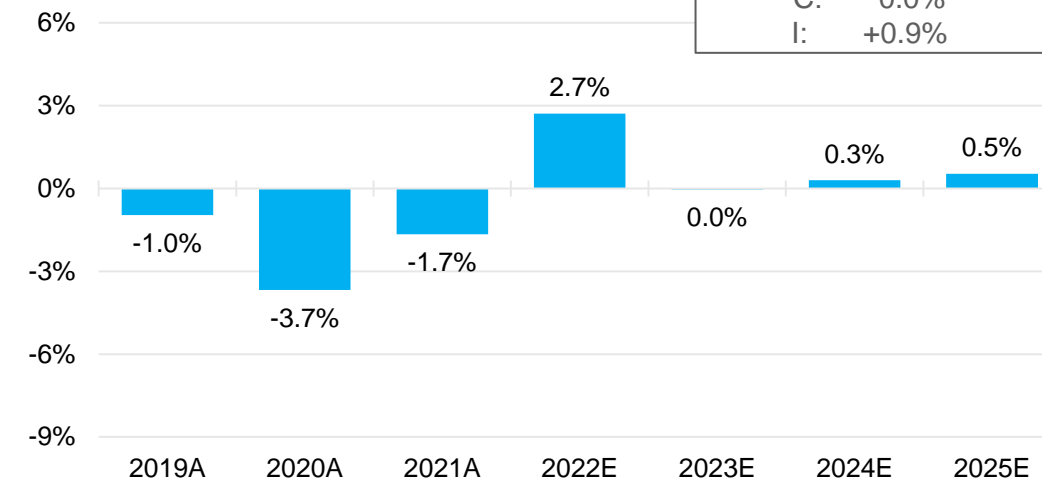
Southwestern Electric Power Company

SWEPCO Projected Rate Base Proxy



SWEPCO Normalized GWh Sales

% Change vs. Prior Year

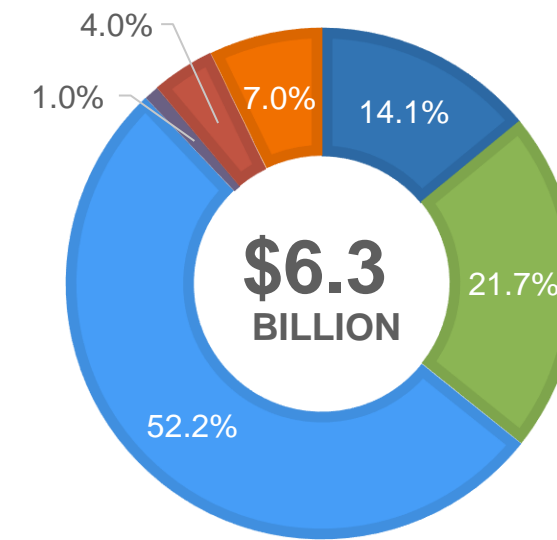


SWEPCO 2023-2027 Capital by Function

(excludes AFUDC)

\$6.3B Total with 88% allocate to wires and renewables

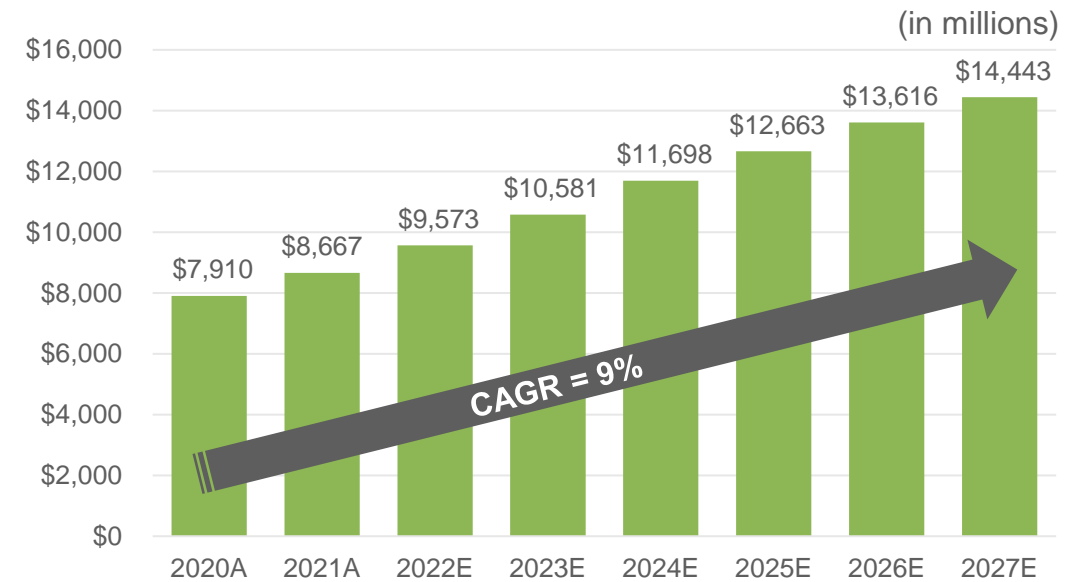
- Distribution - \$885M
- Transmission - \$1.4B
- Renewables - \$3.3B
- Environmental Generation - \$60M
- Fossil/Hydro Generation - \$250M
- Corporate/Other - \$450M



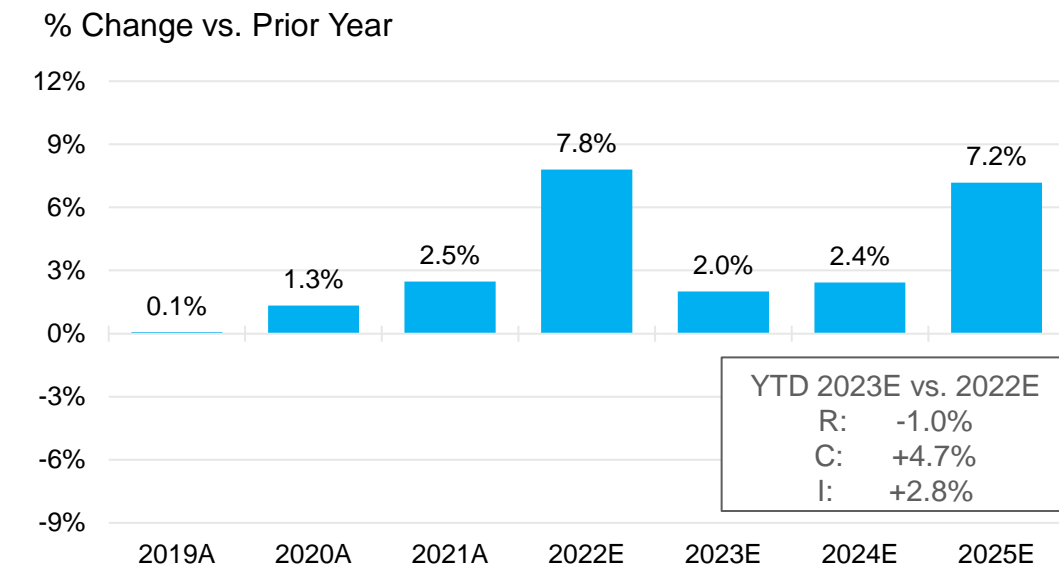


AEP Texas

AEP Texas Projected Rate Base Proxy



AEP Texas Normalized GWh Sales

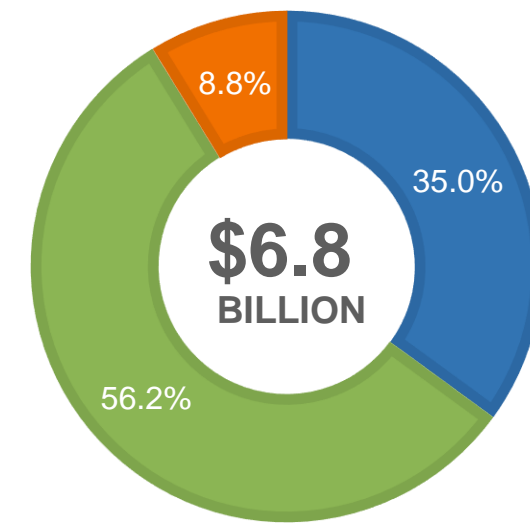


AEP Texas 2023-2027 Capital by Function

(excludes AFUDC)

\$6.8B Total with 91% allocate to wires and renewables

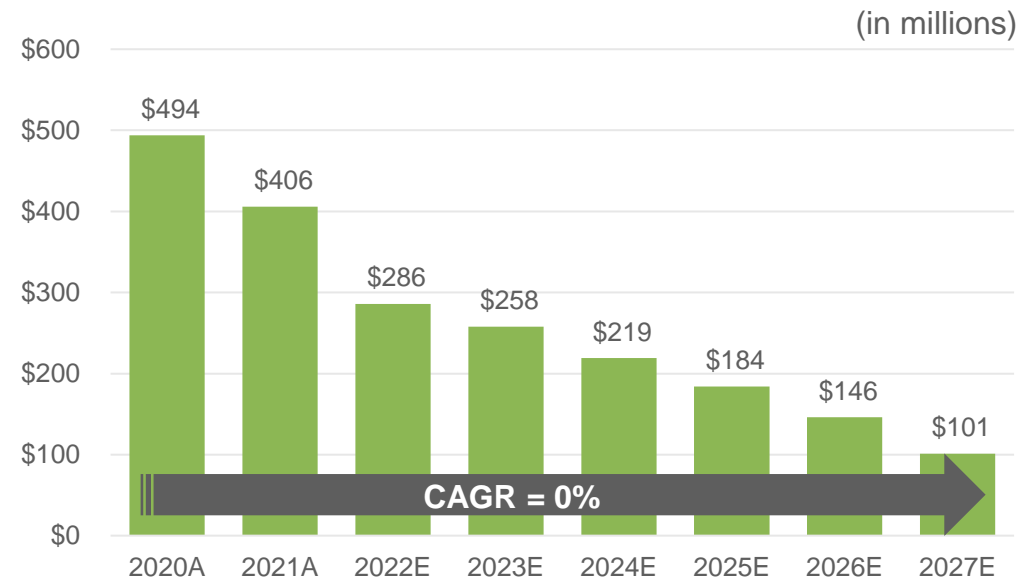
- Distribution - \$2.4B
- Transmission - \$3.8B
- Corporate/Other - \$600M



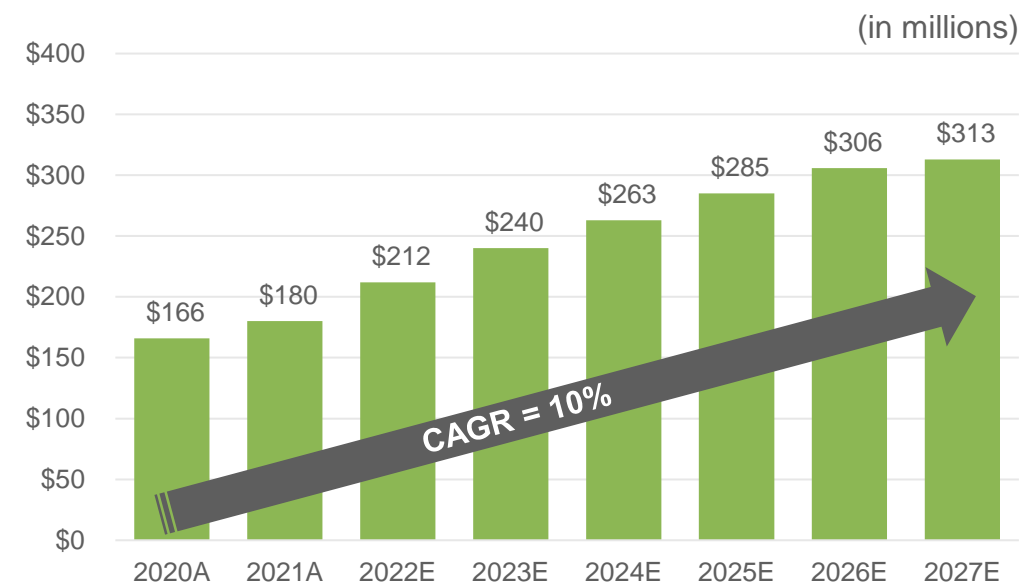


Other Utility Subsidiaries

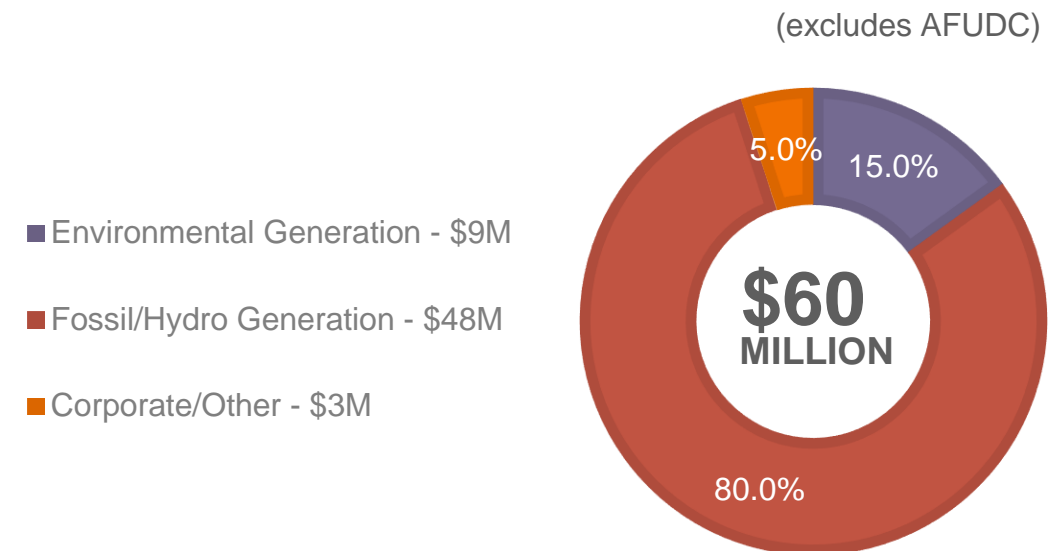
AEP Generating Projected Rate Base Proxy



Kingsport Projected Rate Base Proxy



AEP Generating 2023-2027 Capital by Function



Kingsport 2023-2027 Capital by Function

