

**AMERICAN
ELECTRIC
POWER™**

BOUNDLESS ENERGY™



**J.P. Morgan Energy, Power
& Renewables Conference**

June 16, 2020

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



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, including COVID-19, and any associated disruption of AEP's business operations due to impacts on economic or market conditions, electricity usage, employees, customers, service providers, vendors and suppliers, 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 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 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 and to recover those costs, new legislation, litigation and government regulation, including 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, evolving public perception of the risks associated with fuels used before, during and after the generation of electricity, including coal ash and 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, 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.

INVESTOR RELATIONS

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The Premier Regulated Energy Company



221,000

Miles of Distribution

40,000

Miles of Transmission

5.5M

Customers in 11 States

26GW

Owned Generation

17,400

Employees

114 Years

Leading the Way Forward

\$47B

Rate Base

\$41B

Current Market Capitalization

\$76B

Total Assets

Statistics as of December 31, 2019 except for market capitalization as of June 12, 2020

**Confidence in
Steady and
Predictable
Earnings
Growth Rate
of
5%-7%**

**Commitment
to Growing
Dividend
Consistent
with Earnings**

**Well
Positioned
as a
Sustainable
Regulated
Business**

**Compelling
Portfolio of
Premium
Investment
Opportunities**

Strategic Vision and Priorities

Invest in transmission and distribution networks

Invest in regulated and contracted renewables

Mitigate generation risk and optimize operations

Superior capital allocation

Relentless O&M optimization/Future of work

Improve customer experience

We are focused on executing our strategy while concurrently improving our operations and keeping rates affordable

KEY AEP THEMES

- 5%-7% Earnings Growth Rate
- Proven Track Record of TSR and EPS Performance
- Strong Dividend Growth
- O&M Optimization
- Transforming Our Generation Fleet



Strong Profile for Investors



Incentive Comp Tied to EPS

Investment Pipeline

Steady Growth

TOTAL SHAREHOLDER RETURN

~3%

DIVIDEND YIELD

5%-7% CAGR

5%-7%

EPS GROWTH

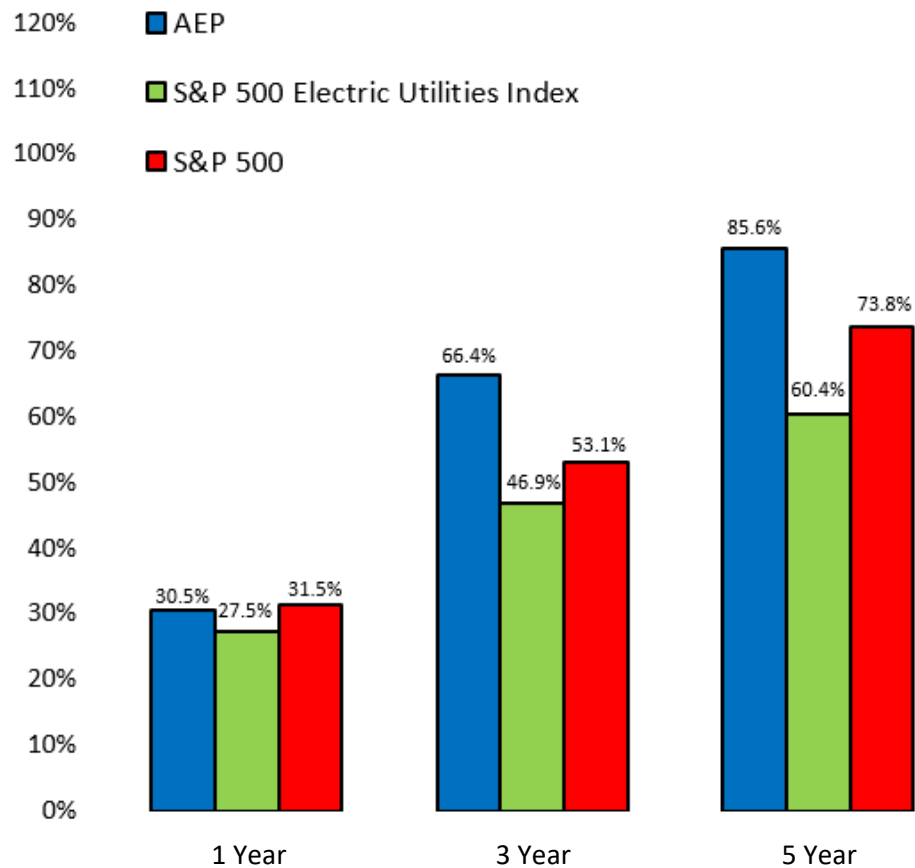
2020 Operating Earnings
Guidance
\$4.25-\$4.45 per share

Consistent Dividends

Low Risk, Regulated Assets

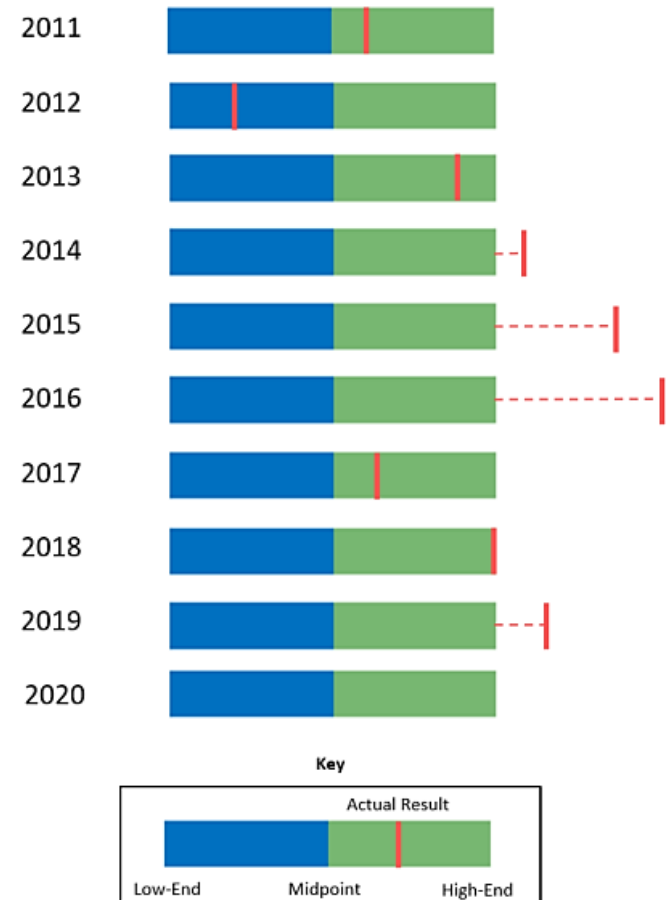
Proven Track Record of Performance

Favorable Total Shareholder Return¹



¹ Data as of December 31, 2019

Decade of Meeting or Exceeding Original Guidance

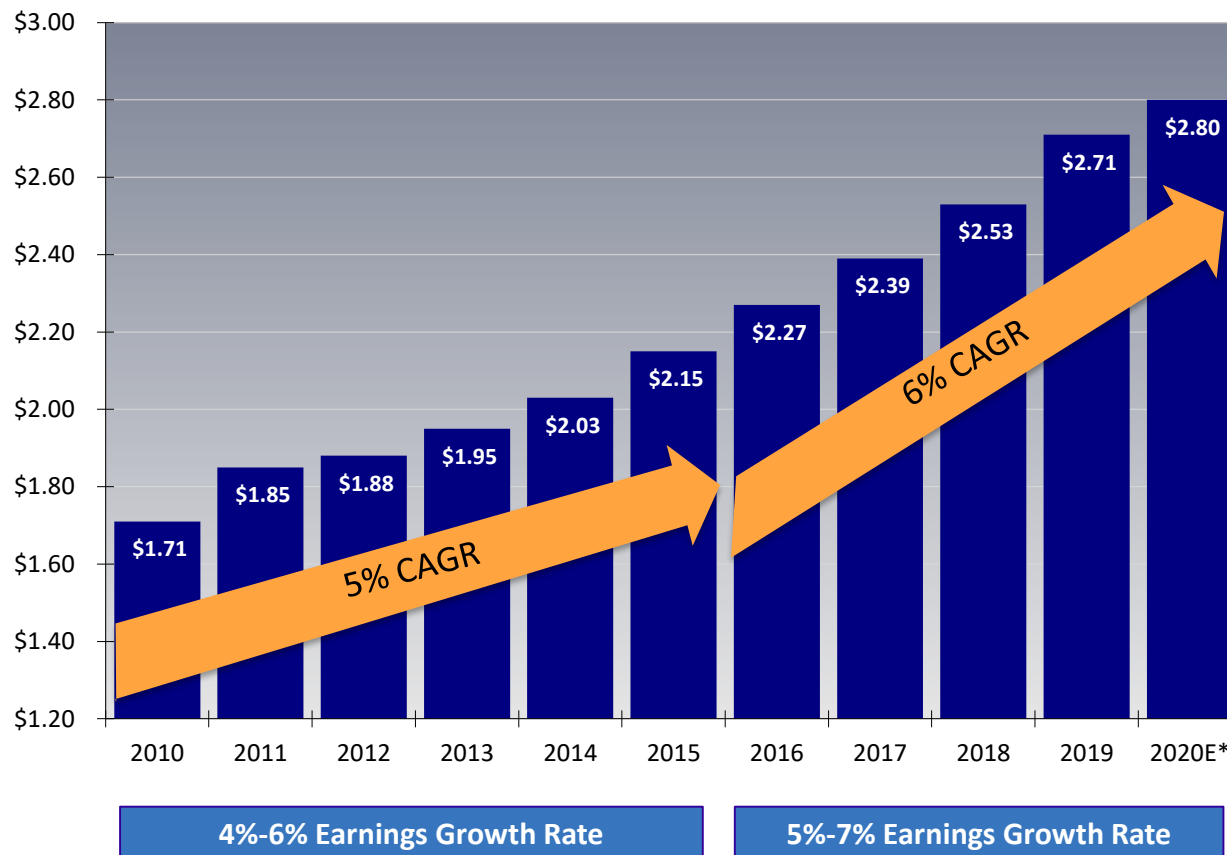


Strong Dividend Growth

Targeted
payout ratio
60-70% of
operating
earnings

Over 109
years of
consecutive
quarterly
dividends

Targeted
dividend
growth in line
with earnings



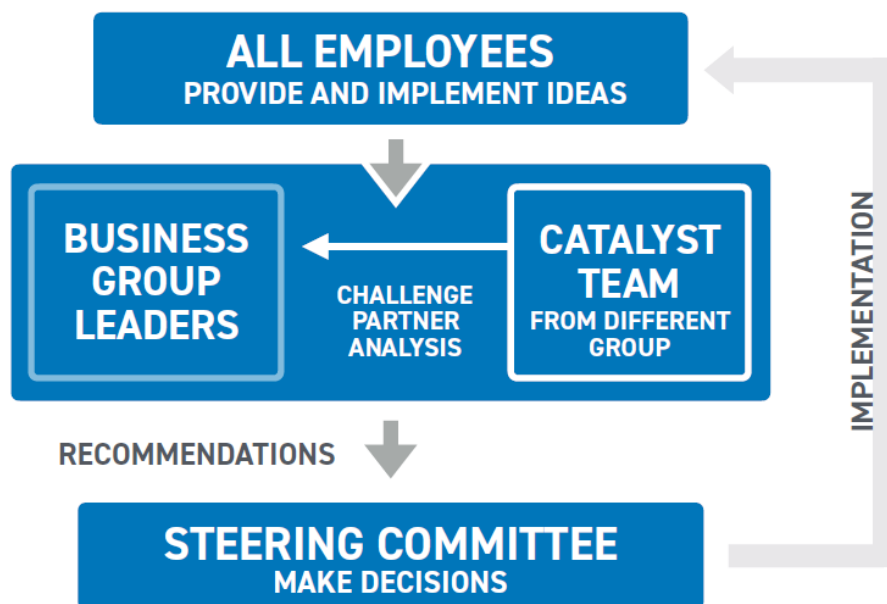
EPS Growth + Dividend Yield = 8% to 10% Annual Return Opportunity

* Subject to Board approval

Achieving Excellence: A disciplined O&M optimization process to improve our business

PROCESS OVERVIEW

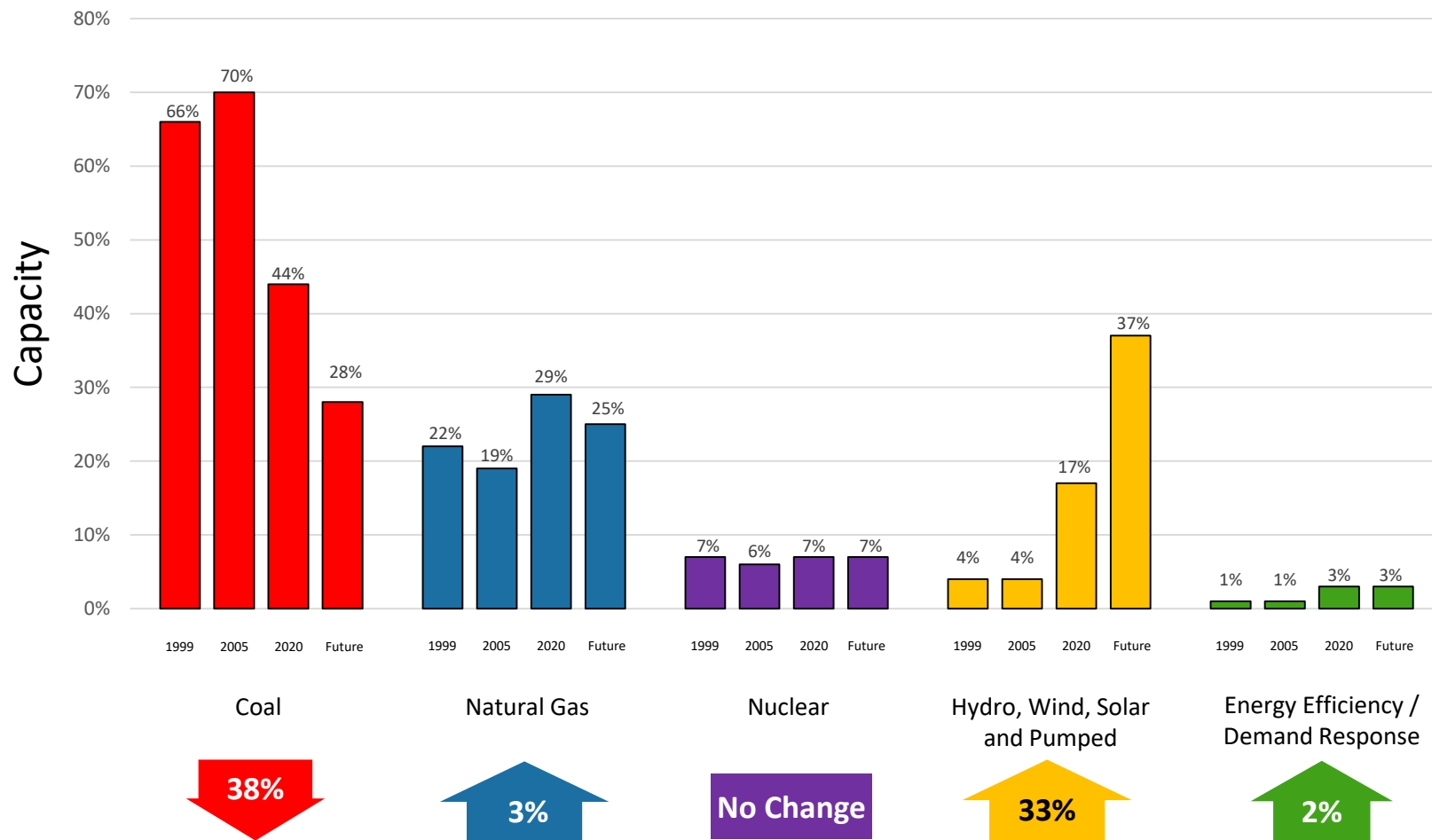
EMPLOYEE DRIVEN; EMPLOYEE OWNED



KEY FEATURES

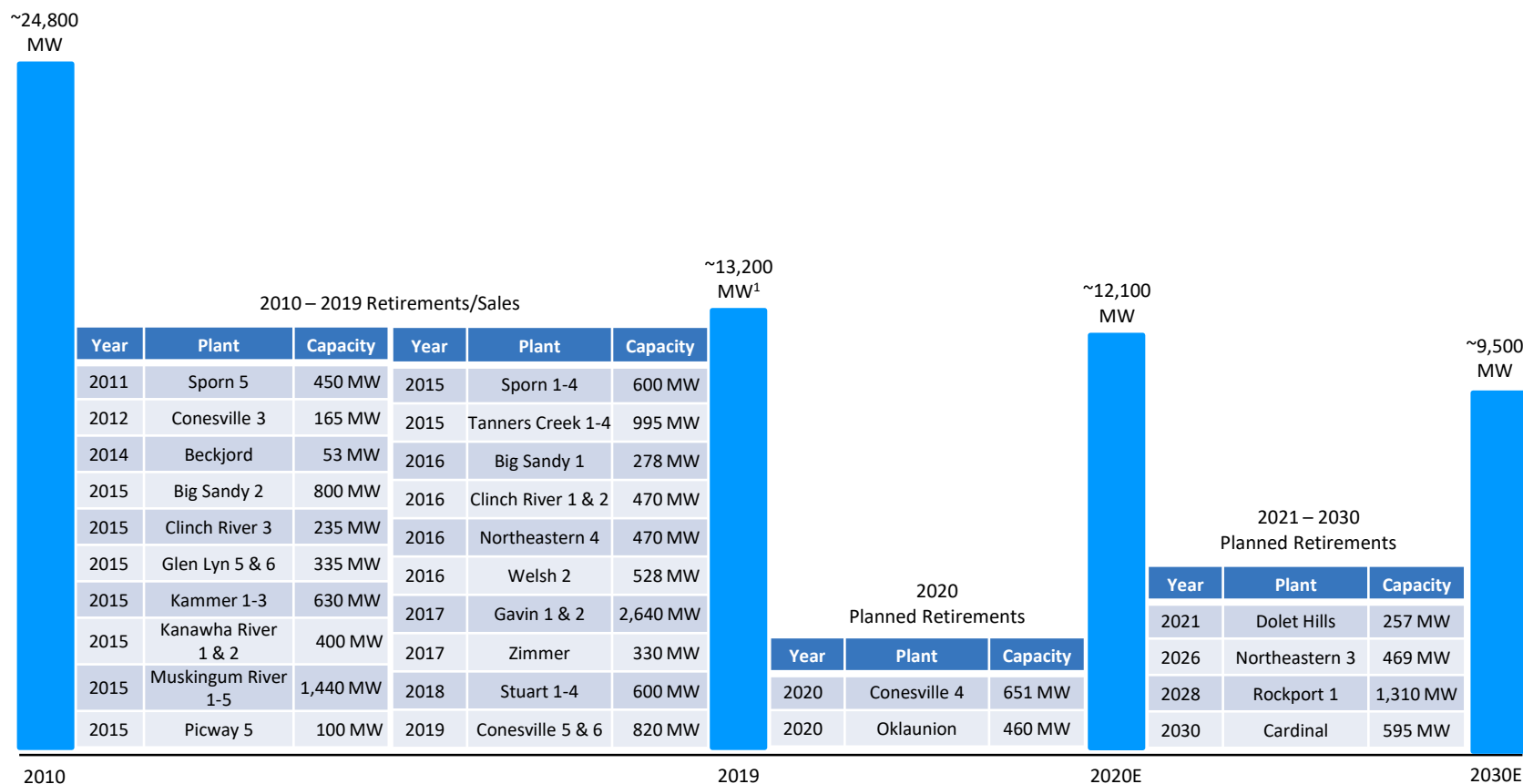
- Program is an ongoing part of our enhanced target setting process
- Catalyst team includes employees with strong analytic, teamwork and project management skills
- Group leaders include heads of business units who partner with and evaluate ideas from catalyst team
- Steering Committee reviews recommendations and makes implementation decisions

Transforming Our Generation Fleet




2020 represents expected capacity as of 6/30/20. Future includes IRP forecasted additions and retirements through 2030. Energy Efficiency / Demand Response represents avoided capacity rather than physical assets.


Retirement Progress and Plans




¹ Includes 2012 Turk Plant addition and 40% of Conesville 4 that was acquired in conjunction with the sale of Zimmer Plant

Projected Resource Additions

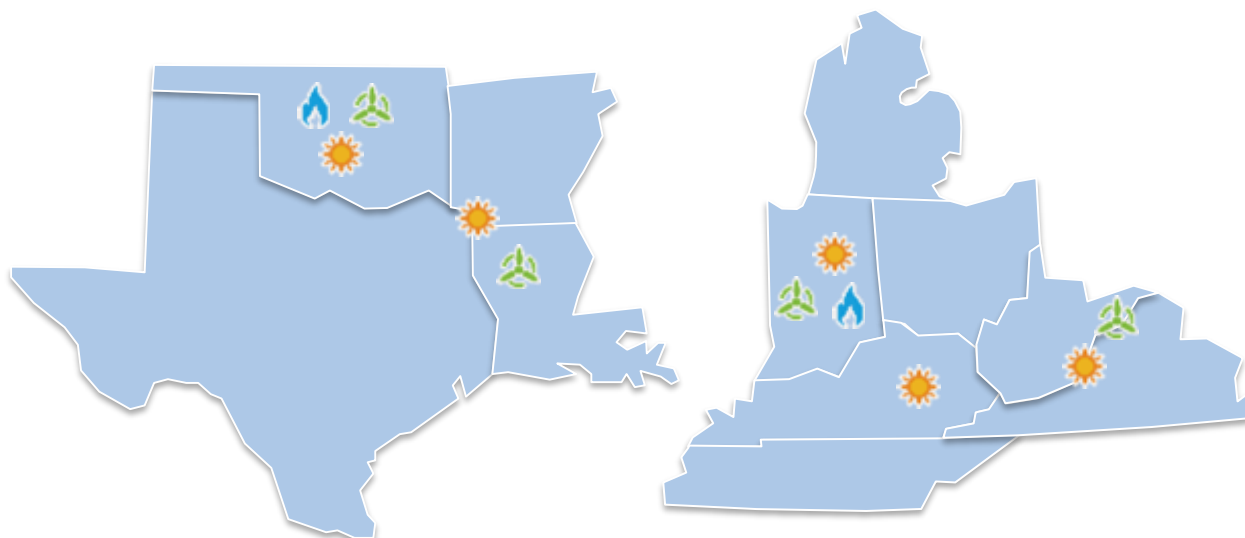
Solar Additions (MW) 			
Operating Co:	2020-2022	2023-2027	2028-2030
APCo	15	300	750
I&M	150	600	550
KPCo	20	253	-
PSO	11	600	600
SWEPCO	-	-	300
Totals	196	1,753	2,200

Wind Additions (MW) 			
Operating Co:	2020-2022	2023-2027	2028-2030
APCo	-	300	-
I&M	300	150	300
KPCo	-	-	200
PSO	675 ¹	400	200
SWEPCO	810 ¹	600	-
Totals	1,785	1,450	700

Natural Gas Additions (MW) 			
Operating Co:	2020-2022	2023-2027	2028-2030
I&M	18	18	788
PSO	373 ²	410 ²	-
Totals	391	428	788

² To replace expiring PPA

¹ Subject to regulatory filings currently underway



Total Projected Resource Additions (MW)	
Resource	2020-2030
Solar	4,149
Wind	3,935
Natural Gas	1,607
Totals	9,691

Updated 5/1/2020

North Central Wind Overview



Jurisdiction (Docket #)	MW	% of Project
PSO (PUD 2019-00048)	675	45.5%
SWEPCO – AR (19-035-U)	155	10.4%
SWEPCO – LA (U-35324)	268	18.1%
SWEPCO – TX (49737)	309	20.8%
SWEPCO - FERC	78	5.2%
Total:	1,485	100%

SWEPCO and PSO Regulated Wind Investment				
Total Rate Base Investment	~\$2 billion (1,485 MW)			
North Central Wind	<u>Name</u>	<u>MW</u>	<u>Investment</u>	<u>In-Service</u>
	Sundance	199	\$307M	EOY 2020 (100% PTC)
	Traverse	999	\$1,287M	EOY 2021 (80% PTC)
	Maverick	287	\$402M	
Net Capacity Factor	44.0%			
Customer Savings	~\$3 billion (30-year nominal \$)			
Developer	Invenergy			
Turbine Supplier	GE			

- ❑ Regulated rate base wind investment with ability to meaningfully reduce customer rates
 - Acquiring facilities on a fixed cost, turn-key basis at completion
 - Contingent upon satisfactory regulatory approvals
- ❑ Investment not included in the Company's current capital expenditure plan

North Central Wind Procedural Schedules



Jurisdiction (Docket #)	Intervenor Testimony	Staff Testimony	Rebuttal Testimony	Hearing	Status
PSO (PUD 2019-00048)	November 1, 2019	November 1, 2019	N/A	January 13, 2020 (Settlement Hearing)	Commission approved on February 20, 2020
SWEPCO – AR (19-035-U)	December 13, 2019	December 13, 2019	N/A	March 10, 2020	Commission approved on May 5, 2020 and includes flex-up option
SWEPCO – LA (U-35324)	February 7, 2020	February 7, 2020	N/A	N/A	Commission approved on May 27, 2020 and includes flex-up option
SWEPCO – TX (49737) ¹	January 14, 2020	January 22, 2020	February 12, 2020	February 24, 2020	ALJs recommended denial on May 26, 2020, awaiting commission order

¹ Texas has a 365-day statutory timeline for issuing an order, making the requested approval date July 15, 2020 (366 days, 2020 is a leap year)

Note: In February 2020, FERC approved the wind acquisition



POSITIONING FOR THE FUTURE

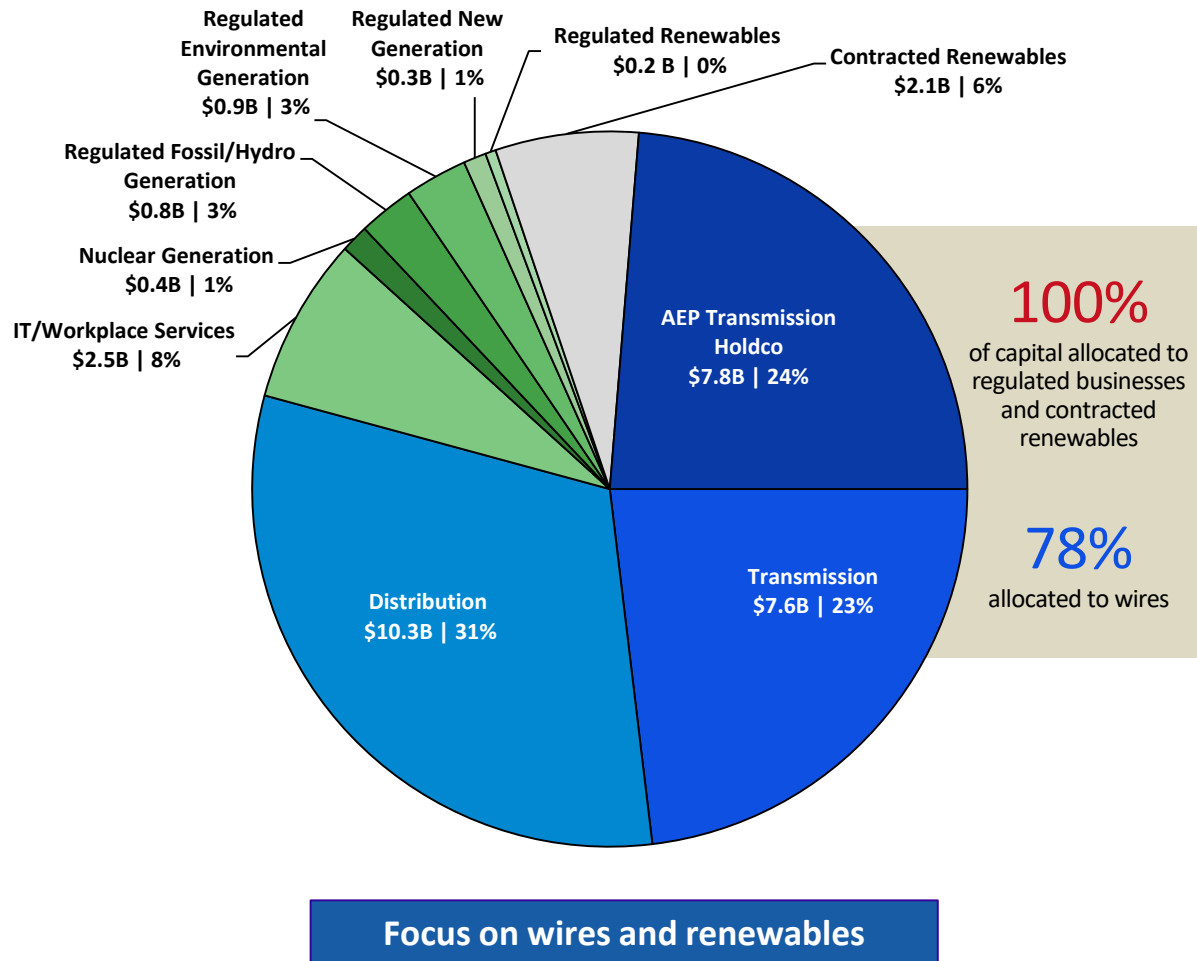
CAPITAL INVESTMENT OPPORTUNITIES

Robust Organic Capital Opportunities

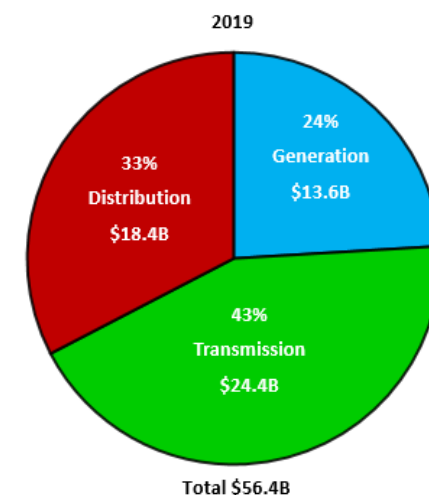
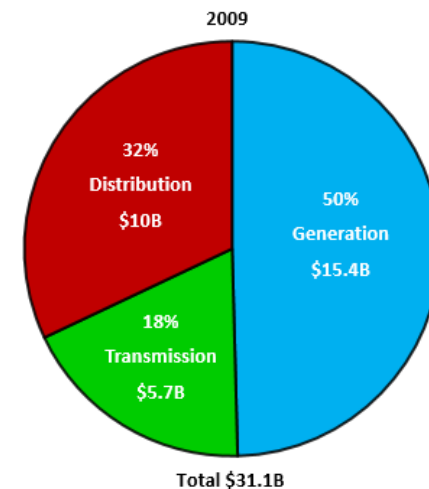
Transmission	Grid modernization, aging infrastructure, physical/cyber security, reliability, market efficiency and economic development projects
Distribution	Grid modernization, reliability improvement projects and distribution station refurbishment
Renewables	Regulated renewables supported by integrated resource plans and contracted renewables
Technology	Digitization, automation, cyber security, enterprise-wide applications

2020 - 2024 Capital Forecast of \$33B and Net Plant

2020-2024 Capital Forecast¹



Historical Net Plant Profiles



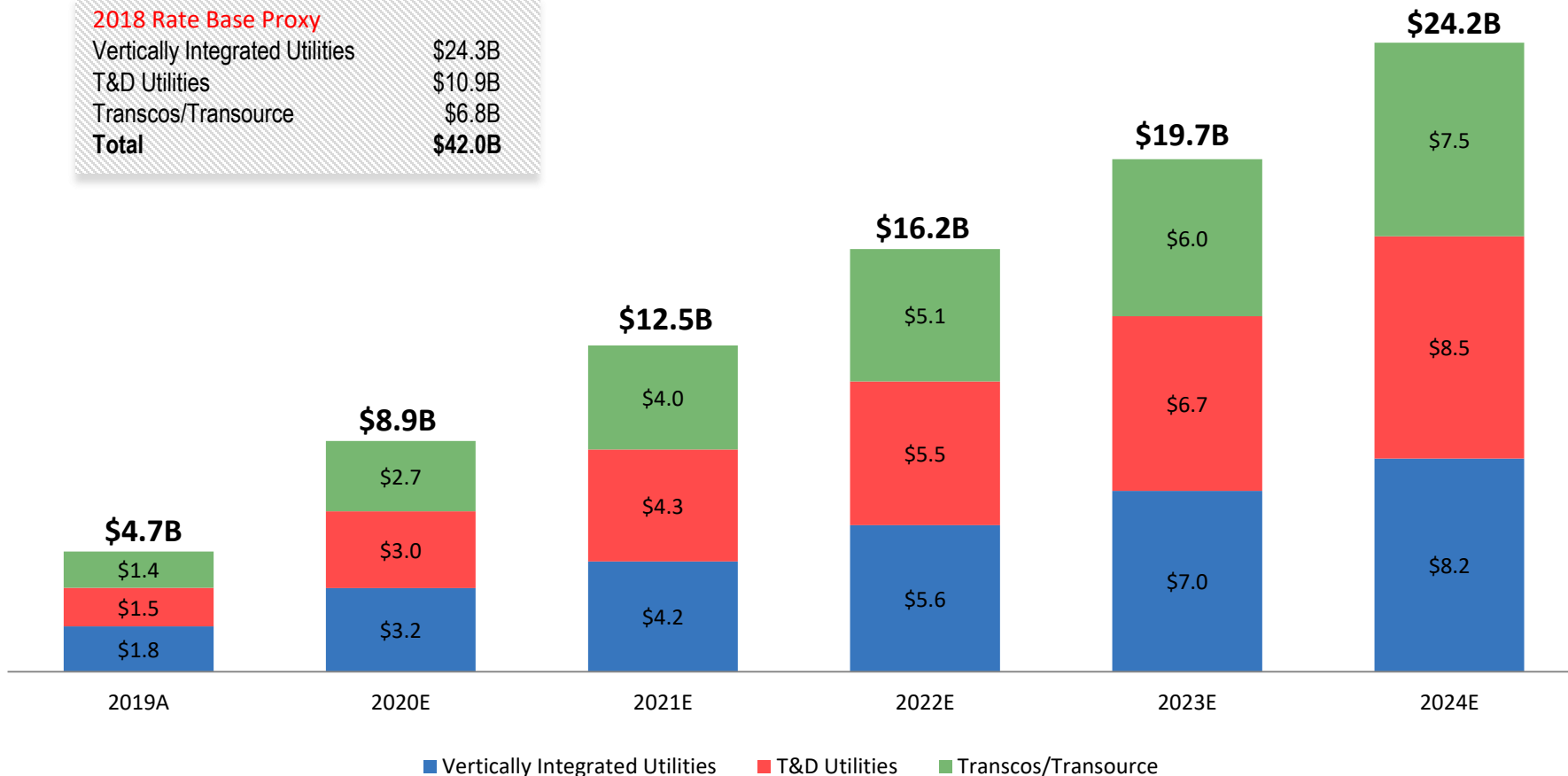
¹ Does not include North Central Wind

7.9% CAGR in Rate Base Growth

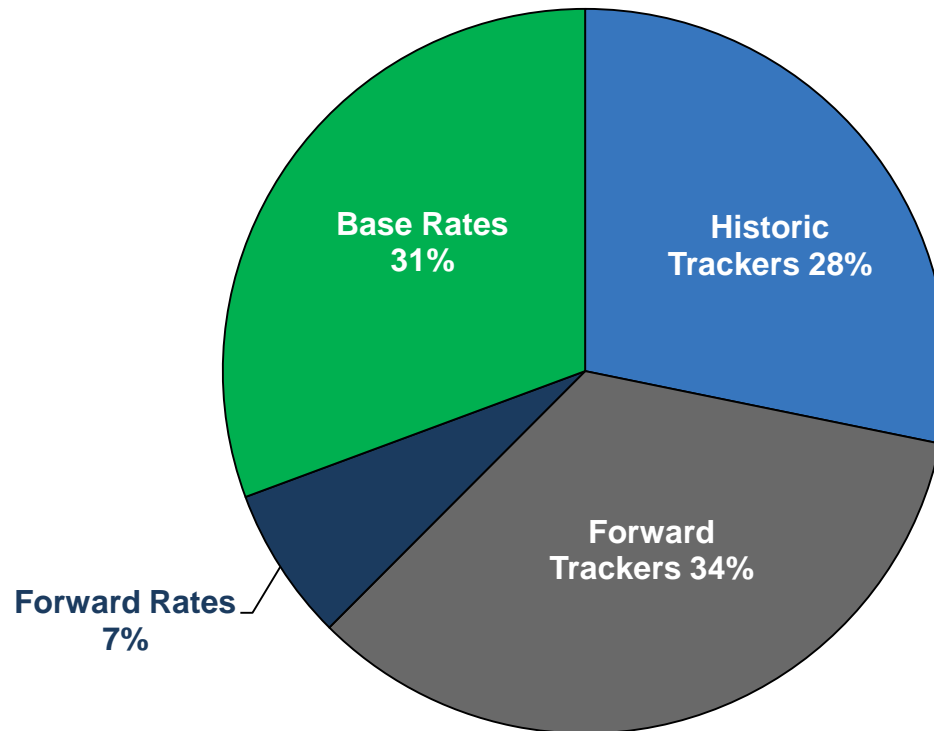
Cumulative Change from 2018 Base

2018 Rate Base Proxy

Vertically Integrated Utilities	\$24.3B
T&D Utilities	\$10.9B
Transcos/Transource	\$6.8B
Total	\$42.0B



5%-7% EPS growth is predicated on regulated rate base growth



Nearly 70% of 2020-2024 capital plan recovered through reduced lag mechanisms



TRANSMISSION TRANSFORMATION

AEP STRATEGIC VISION: INVEST IN TRANSMISSION NETWORK

Diverse five-year capital investment portfolio of over \$15 billion across AEP's broad footprint

Delivering significant customer benefits:

- Higher reliability
- Lower energy costs
- Economic development
- Public policy goals

Disciplined execution:

- Low cost, high value solutions
- High speed delivery
- Technological innovation

STABLE COST RECOVERY FRAMEWORK

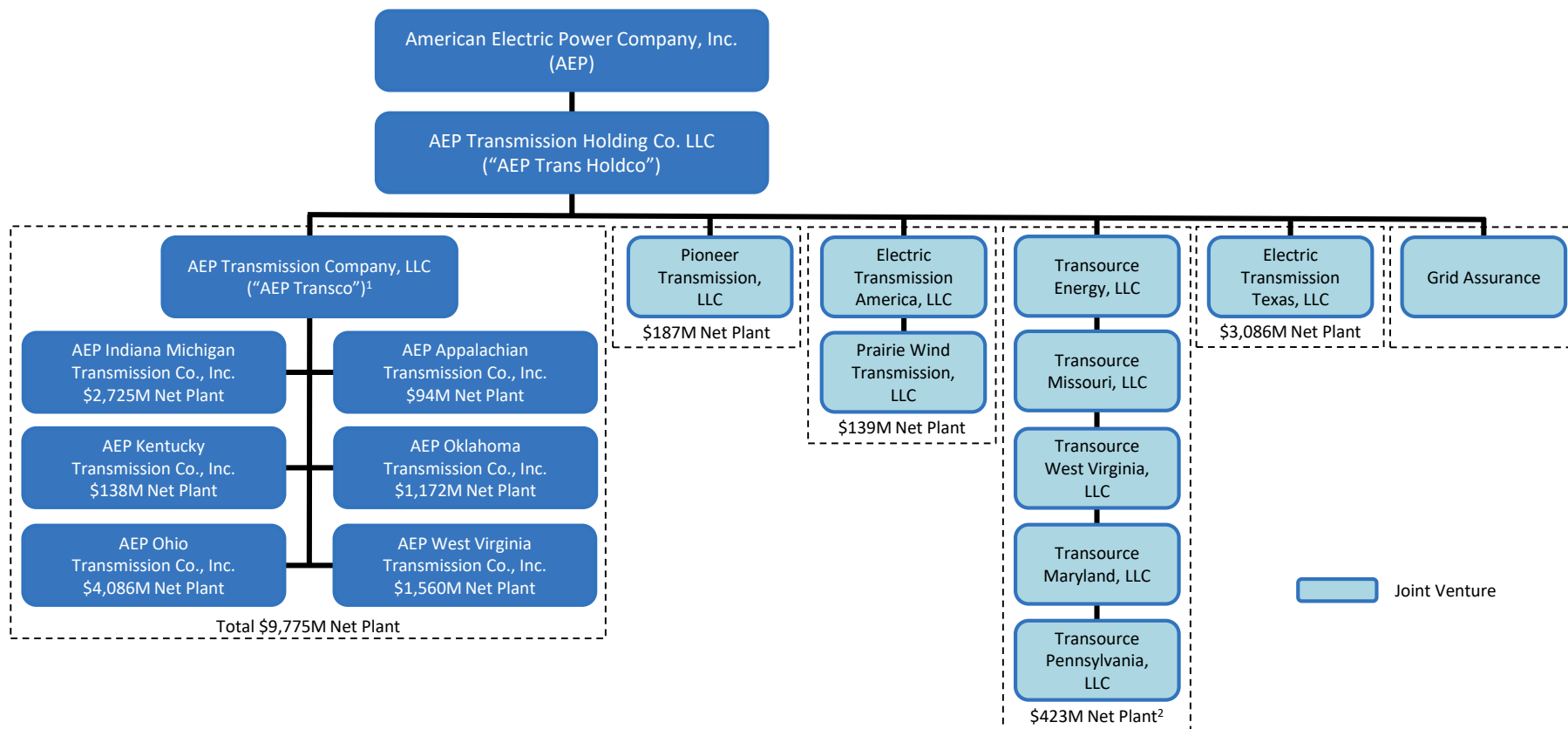
DELIVER VALUE TO CUSTOMERS AND PREDICTABLE EARNINGS GROWTH

AEP Transmission Holdco Legal Entity Structure



AEP INVESTS TRANSMISSION CAPITAL IN BOTH THE INTEGRATED OPERATING COMPANIES AND IN THE AFFILIATES HELD UNDER AEP TRANSMISSION HOLDING COMPANY

AEP PROVIDES A STAND-ALONE EARNINGS FORECAST FOR AEP TRANSMISSION HOLDING COMPANY



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

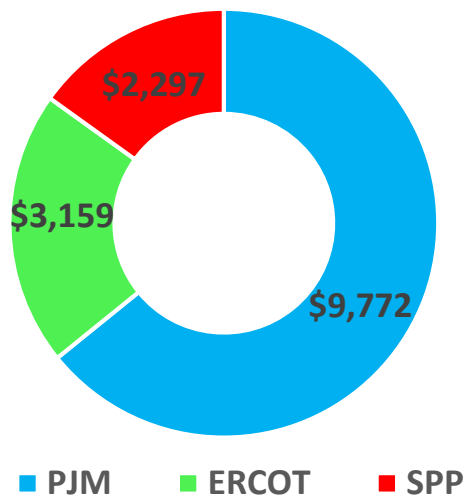
Net plant totals are as of March 31, 2020.

¹ Debt issued at AEP Transco level for transmission companies

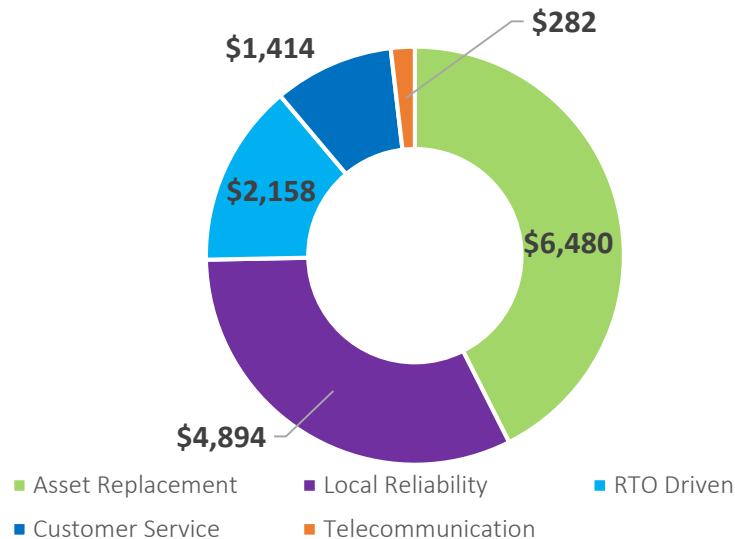
² Does not include Independence Energy Connection Project

Five Year Transmission Capital Plan

2020-2024 INVESTMENT BY RTO (\$ MILLIONS)¹



2020-2024 TRANSMISSION INVESTMENT BY CATEGORY (\$ MILLIONS)¹



¹ Does not include \$200 million of Transource capital investment

INVESTMENT CATEGORIES

DRIVERS

ASSET REPLACEMENT

- Asset condition, performance history and risk of failure

LOCAL RELIABILITY

- Transmission owner reliability planning criteria

RTO DRIVEN

- RTO reliability planning criteria
- Market efficiency
- Public policy needs and goals

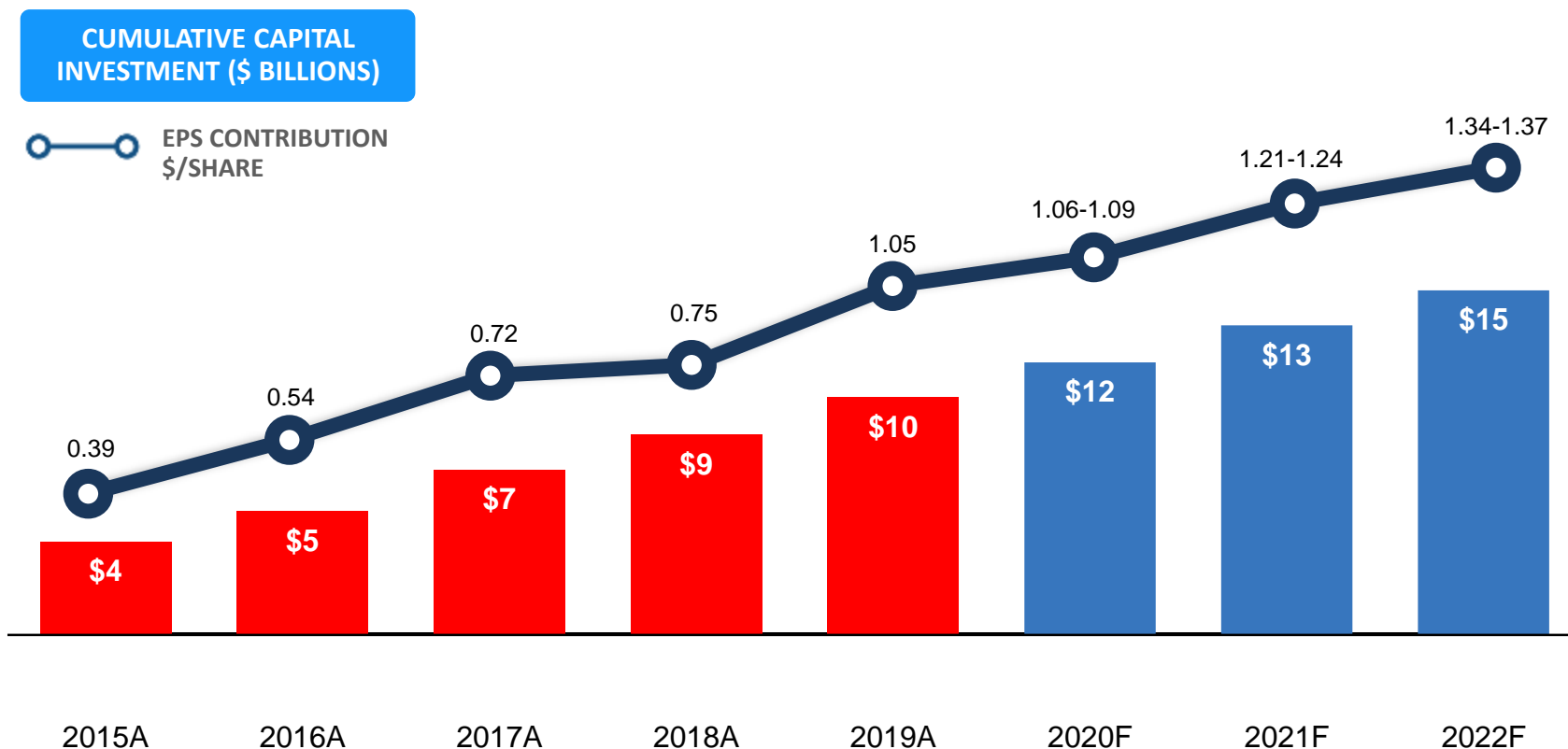
CUSTOMER SERVICE

- Connecting new and enhanced service requests
- Facilitating local economic development

TELECOM

- Cyber-security requirements
- Asset health monitoring
- Efficient grid operations

AEPTHC Target Earnings 2019-2022



AEPTHC'S 2015 – 2022 EPS GROWTH PROJECTED AT A CAGR OF 19.4%

Stable Cost Recovery Framework

STABLE AND CLEAR WHOLESALE COST RECOVERY FOR TRANSMISSION

	PJM	SPP	ERCOT
ROE	10.35% (Includes RTO adder)	10.5% (Includes RTO adder)	9.4% (AEP Texas) 9.6% (ETT)
Forward Looking Rates	Yes	Yes	Allowed two updates per year
Equity Structure	Capped at 55%	No Cap	Capped at 42.5% (AEP Texas) and 40% (ETT)
Rate Effective	January 1, 2018	June 5, 2017	May 29, 2020 (AEP Texas) April 4, 2008 (ETT)
Final Regulatory Approval	May, 2019	June, 2019	April 6, 2020 (AEP Texas)

AEP RECOVERS ~93% OF ITS CAPITAL INVESTMENT THROUGH STATE TRACKER/RIDER (T/R) MECHANISMS

FULL TRACKER/RIDER (T/R) RECOVERY



Partial T/R Recovery



Pending/Formula or Base Case



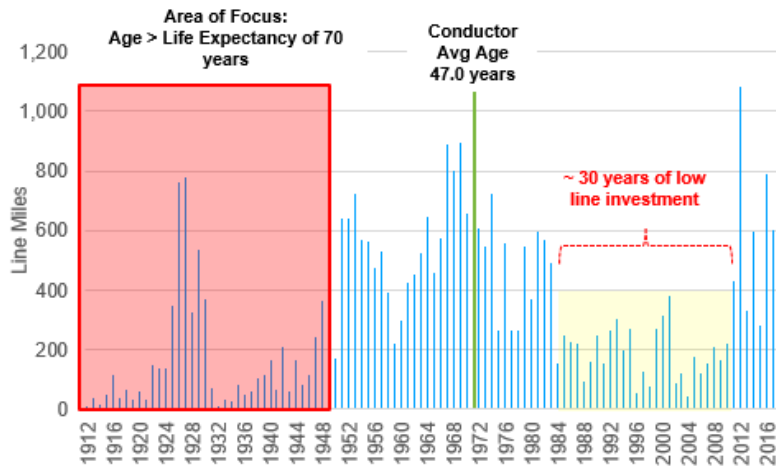
TRANSMISSION INCENTIVES NOTICES OF INQUIRY

- **Transmission Incentives** – AEP supports continuation of the current incentives, particularly the RTO-participation incentive, reflective of the tremendous customer benefits RTO participation provides and additional incentives that provide grid modernization, security and resilience

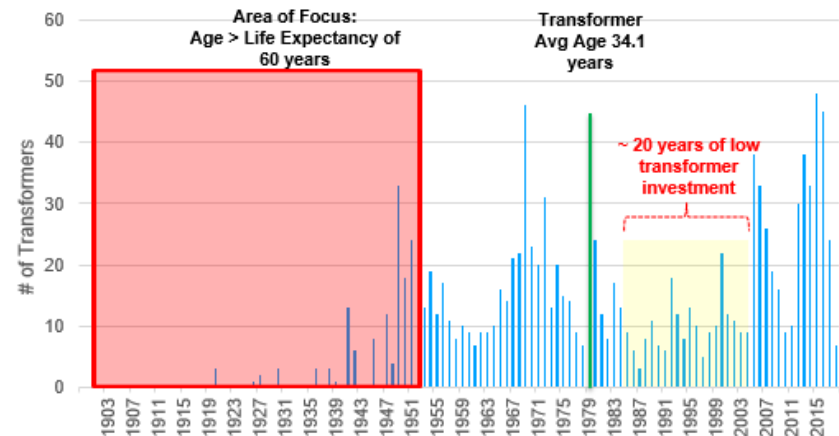
Significant Need For Asset Replacement

Type	Life Expectancy	Current Quantity over Life Expectancy	Quantity that will Exceed Life Expectancy in Next 10 Years	Total Replacement Need	Percent of AEP System Total
Line Rebuilds	70	5,915	4,931	10,846	27%
Transformers	60	223	124	347	28%
Circuit Breakers	50	882	583	1,465	16%

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



AEP Transmission Transformer Age Profile



\$2.3 billion of annual on-system capital investment is required to maintain current age profile

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

UTILITY TRANSFORMATION



Identified Core Business Investments

Improve
Reliability

Grow and Diversify
the Business

Maintaining Strong
Balance Sheet

Current State of Distribution Grid

- \$1.8B of annual investment
- **\$2.7B** investment needed to maintain current assets

10-Year Incremental Distribution Capital Investment Potential: ~\$18B¹

AEP invests in our customers' future by focusing on reliability and the customer experience. AEP has a strong track record in securing regulatory support and executing distribution investments.

Investment Opportunity	Capital Investment \$
Grid Modernization	\$2.4 billion
Line Re-conductoring – Asset Renewal	\$13.0 billion
Pole Replacements – Asset Renewal	\$0.5 billion
Distribution Station Transformer and Breaker Replacements – Asset Renewal	\$1.4 billion

Known and identified investments that will improve reliability and operability of the grid

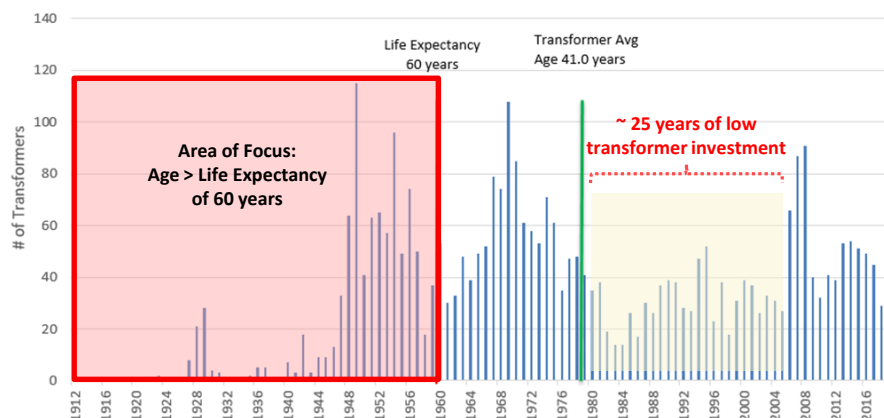
Partner with states to help spur economic development

¹ 10-year capital investment potential is above current \$1.8B annual spend, 7-10% O&M required to support the capital investment

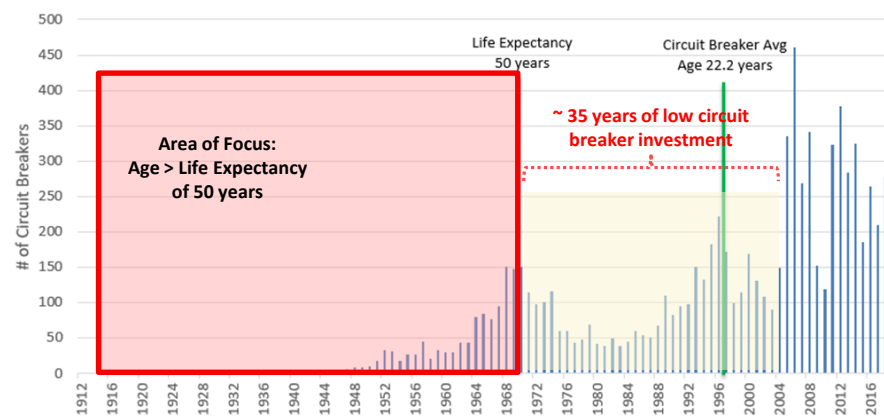
Robust Distribution Capital Expenditure Opportunities

Type	Life Expectancy	Current Quantity over Life Expectancy	Quantity that will Exceed Life Expectancy in Next 10 Years	Total Replacement Need	Percent of AEP System Total
Transformers	60	903	565	1,468	41%
Circuit Breakers	50	1,030	842	1,872	21%

AEP Distribution Transformer Age Profile



AEP Distribution Circuit Breaker Age Profile



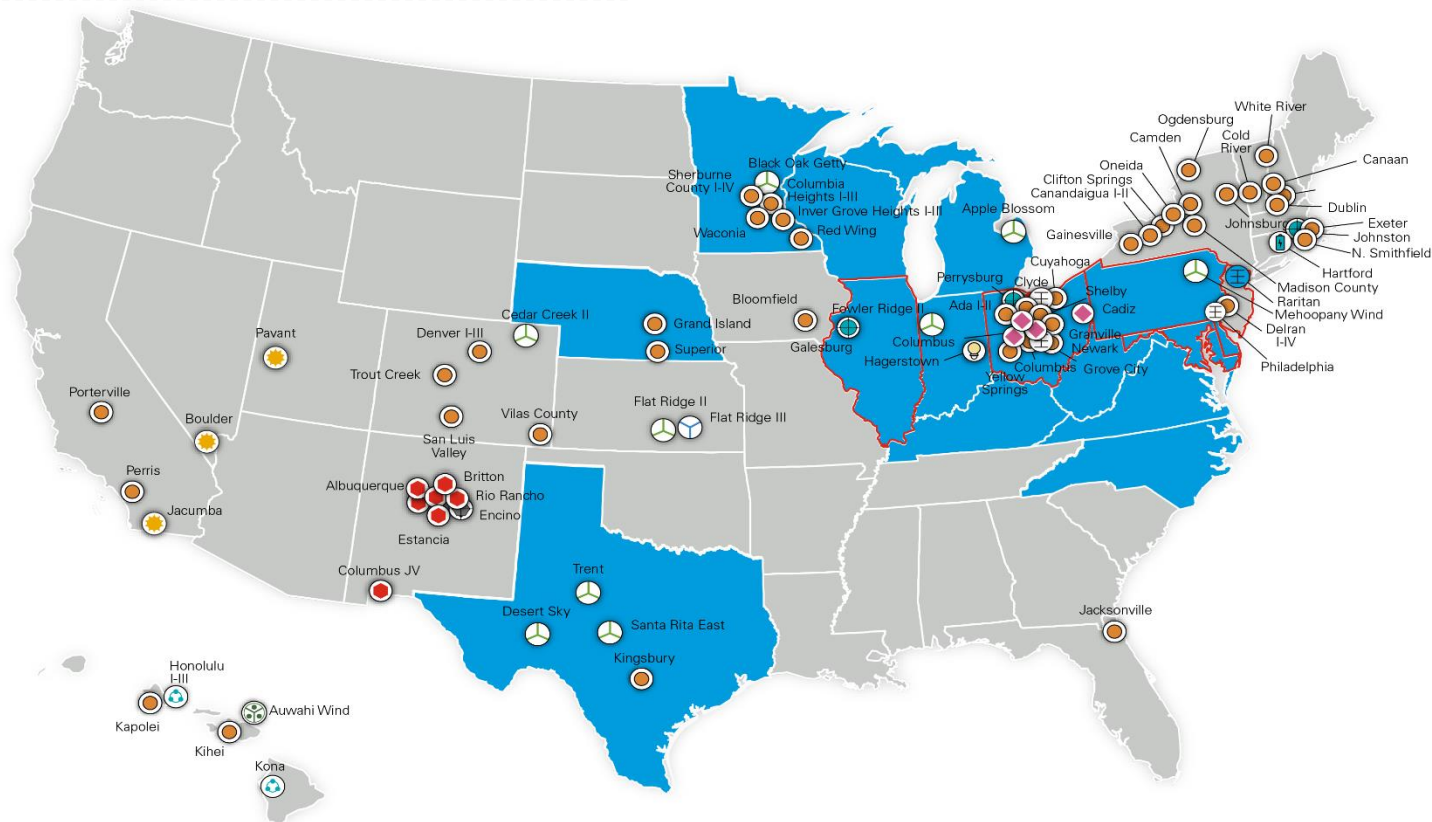
\$2.7 billion of annual on-system capital investment is required to maintain current age profile

INVESTING IN COMPETITIVE BUSINESS



Competitive Businesses Presence

AEP Competitive Businesses
Active in 31 States (7 State overlap with AEP Utilities)



AEP Renewables

- Wind (Active) - 9 Sites | 1,195 MW
- Wind (Planned) - 1 Site | 128 MW
- Solar (Active) - 3 Sites | 116 MW
- Wind/Storage (Active) - 1 Site | 17 MW

AEP OnSite Partners

- Solar (Active) - 45 Sites | 99 MW
- Solar (Planned) - 3 Sites | 10 MW
- Fuel Cell (Active) - 1 Site | 1 MW
- Engine (Planned) - 3 Sites | 17 MW

- Station (Active) - 4 Sites | 475 MVA
- Solar (Active) Joint Venture - 7 Sites | 55 MW
- Solar (Planned) Joint Venture - 1 Site | 33 MW
- Engine (Active) - 1 Site | 3 MW

- Energy Efficiency - 1 Site | NA
- Solar/Storage (Active) - 2 Sites | 1 MW

Deregulated Supply

- Service Territory

Wholesale Energy

- Service Territory

As of March 31, 2020

Development Pipeline and Repower Initiative



Development Pipeline

Progress continues in our development portfolio across four geographically dispersed areas

In October 2019, the 128 MW Flat Ridge 3 wind project in Kansas was to be placed in service by the end of 2020 using all of our PTC Safe Harbor equipment (qualifying the plant for 100% PTCs). In January 2020, we announced a long-term power agreement with Evergy for the entire output of the wind project.

The other mid- to late-stage opportunities in our development portfolio possess solid project and market fundamentals, and continue to attract strong interest from utilities, municipalities, cooperatives and corporates

Repower Initiative

Fowler Ridge 2, Cedar Creek 2, Flat Ridge 2 and Mehoopany are all ending their PTC lives by year end 2021

All 4 wind farms are being evaluated as potential repower candidates

If the repowers were to take place, it would most likely be at 80% or 60% PTC level

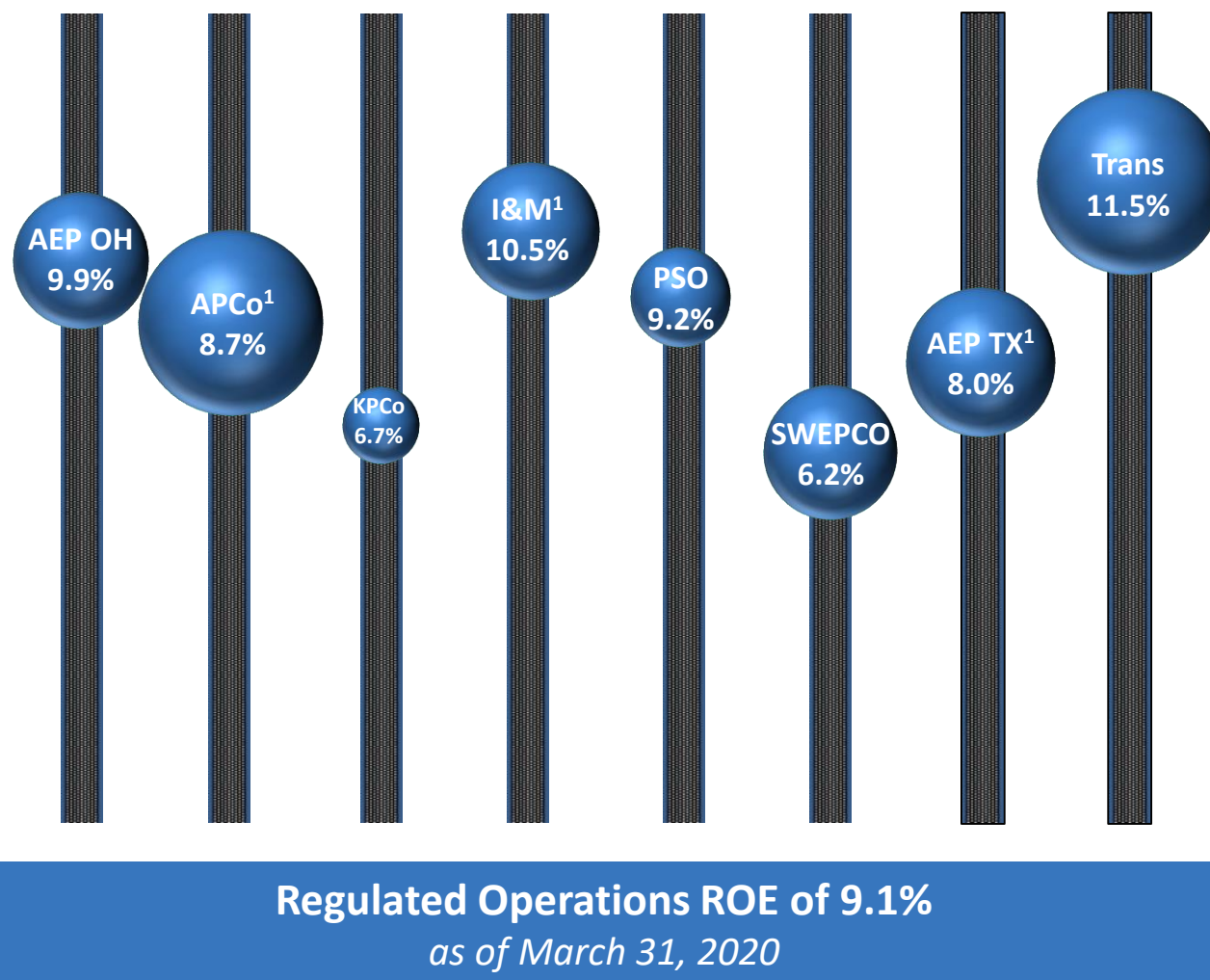


FINANCIAL INFORMATION



Return on Equity

Twelve Months Ended 3/31/2020 Earned ROE's (non-GAAP operating earnings, not weather normalized)



¹ Base rate cases pending/settled/order recently received

Sphere size based on each company's relative equity balance

Current Rate Case Activity

AEP Ohio

Docket #: 20-0585-EL-AIR
Filing Date: 06/01/2020
Requested Rate Base: \$3.1B
Requested ROE: 10.15%
Cap Structure: 45.6%D / 54.4%E
Gross Revenue Increase: \$36M
(Less \$4.5M Depr
Decrease)
Net Revenue Increase: \$41M
Test Year: 11/31/2020



AEP Texas

Docket #: 49494
Filing Date: 05/01/2019
Requested Rate Base: \$5.0B
Requested ROE: 10.5%
Cap Structure: 55%D / 45%E
Revenue Increase: \$56M (\$35M Net of
Tax Rider)
Test Year: 12/31/2018

Settlement Summary

Unanimous Settlement Filed: 02/13/2020
Commission Order: 04/06/2020
Effective Date: 05/29/2020
ROE: 9.4%
Cap Structure: 57.5%D / 42.5%E
Revenue Decrease: \$40M



Current Rate Case Activity

APCo – Virginia

Docket #:	PUR-2020-00015
Filing Date:	03/31/2020
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:	12/31/19
Procedural Schedule:	
Intervenor Testimony	07/30/2020
Staff Testimony	08/13/2020
Rebuttal Testimony	08/28/2020
Hearing	09/14/2020
Expected Effective Date	First Quarter 2021



I&M – Indiana

Docket #:	45235
Filing Date:	05/14/2019
Requested Rate Base:	\$4.9B
Requested ROE:	10.5%
Cap Structure:	53.2%D / 46.8%E
Gross Revenue Increase:	\$172M (Less \$84M D&A, Wholesale Rev, Nuc Decom)
Net Revenue Increase:	\$88M
Test Year:	2020 Forecasted

Commission Order Summary¹

Order Received:	03/11/2020
Effective Date:	03/11/2020
ROE:	9.7%
Cap Structure:	53.2%D / 46.8%E
Gross Revenue Increase:	\$77M (Less \$51M ² D&A, Wholesale Rev)
Net Revenue Increase:	\$26M

¹ Result of compliance filing on March 31, 2020

² Includes D&A of \$30M and wholesale revenues of \$21M



2020 Earnings Guidance Range

\$4.25 - \$4.45

	Revised 2020 Load Growth Projections
Residential	3.0%
Commercial	(5.6%)
Industrial	(8.0%)



	2020 Guidance		Impact on EPS
	EEI	Revised	
Retail Sales Growth	0.5%	(3.4%)	(\$0.15)
Q1 2020 Weather	-	(\$71M)	(\$0.11)
Untracked O&M	\$2.8B	\$2.7B	\$0.17
Capital Expenditures	\$6.3B	\$5.8B	NA
		Total	(\$0.09)

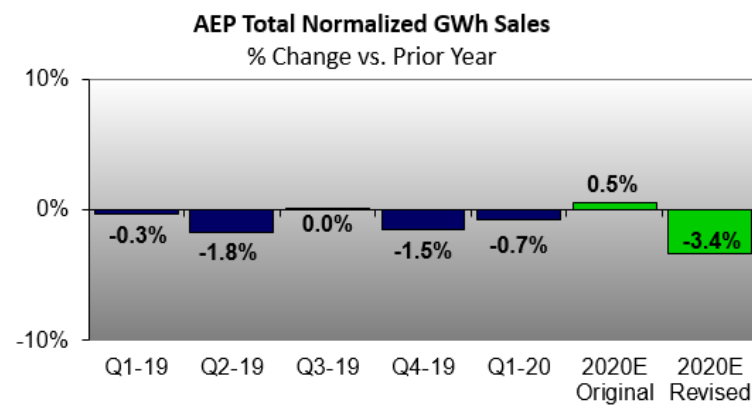
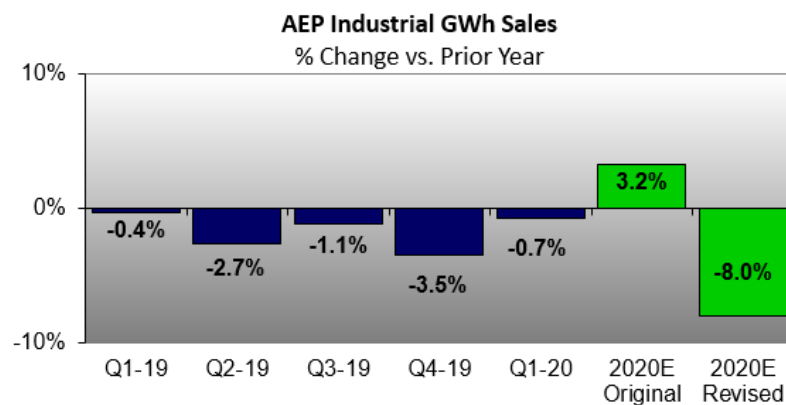
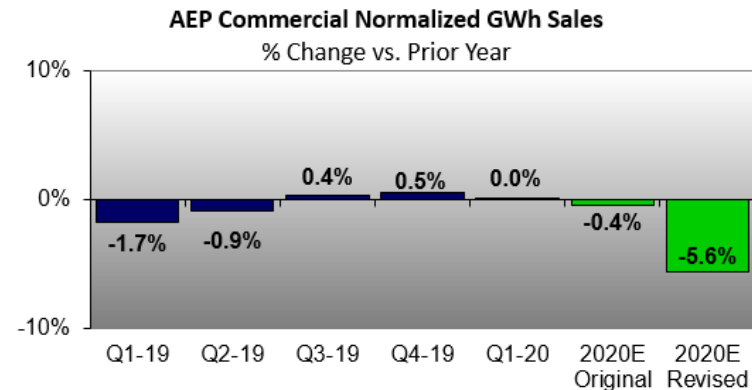
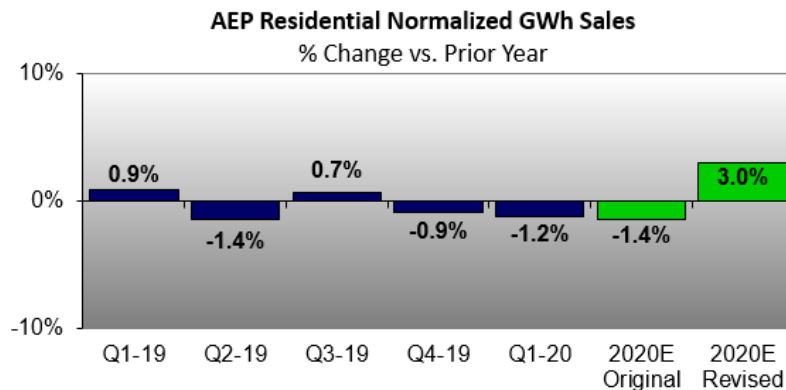
Items that would **positively** impact management's view:

- Strong V-shaped economic recovery
- Mitigation of coronavirus infections
- Further increase in residential sales and less than anticipated decrease in commercial and industrial sales
- Warmer summer weather
- Additional O&M savings achieved

Items that would **negatively** impact management's view:

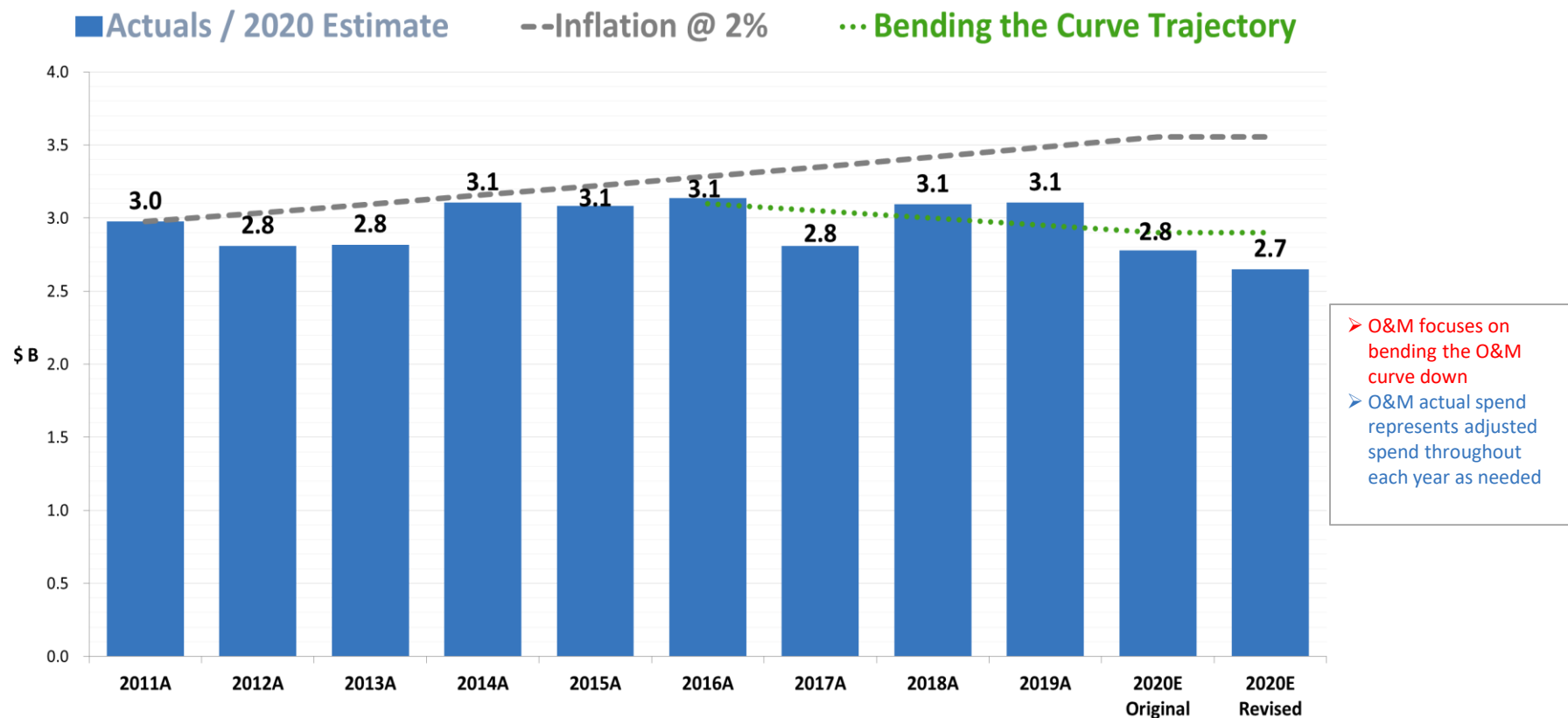
- Prolonged U-shaped economic recovery
- Increased coronavirus infection rates
- Residential, commercial and industrial sales lower than projected
- Mild weather
- Higher storm-related O&M expense

Normalized Load Trends



Load figures are provided on a billed basis. Charts reflect connected load and exclude firm wholesale load. Revised forecast assumes greatest impact on load in Q2 2020 followed by a gradual recovery over the balance of the year.

Bending the O&M Curve

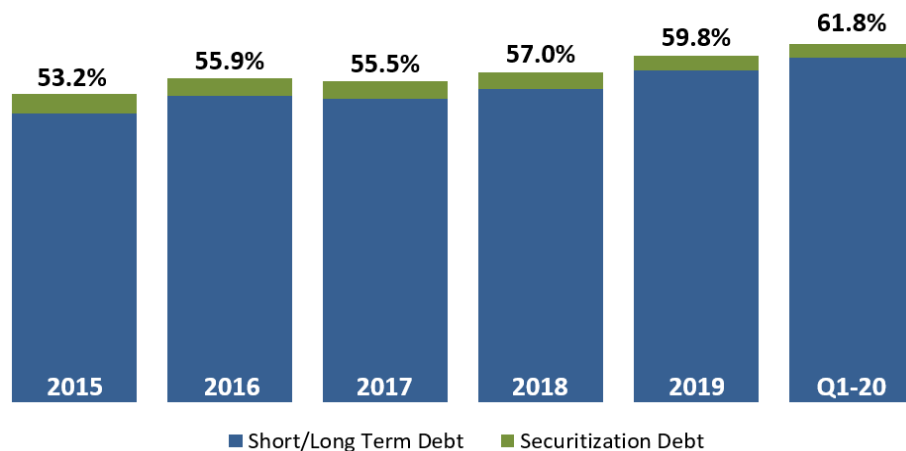


Bending the O&M Curve – Initiatives

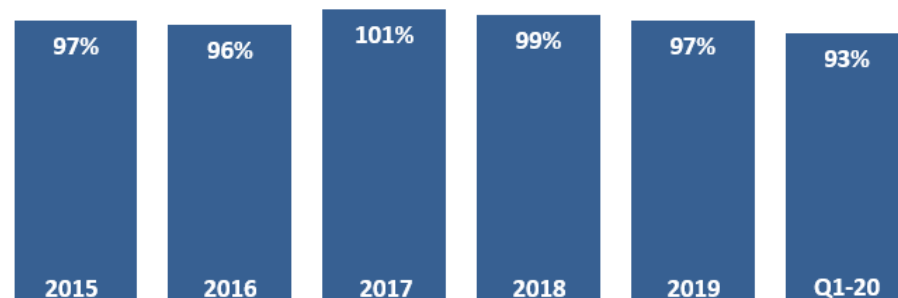
Initiatives	Actions
Achieving Excellence Program	<ul style="list-style-type: none"> • Employee based O&M prioritization and optimization effort • Drive down costs in 2020 and beyond • Program will leverage the experience of EHS Partners
Lean Management System Implementation/Continuous Process Improvement	<ul style="list-style-type: none"> • Distribution – Drive enhanced reliability which will lead to reduced O&M cost associated with storm restoration in the long term • Supply chain – Optimize the material requisition process to improve material lead times, reducing stock outs and increasing crew productivity resulting in reduced O&M cost • Fleet operations – Focus on reducing the number of vehicle platforms/options acquired and optimizing the acquisition process to reduce acquisition and maintenance costs • Generation (system productivity) – Fleet wide team-based focus on the reduction of waste associated with targeted plant systems, e.g. coal handling, scrubbers
Data Analytics	<ul style="list-style-type: none"> • Workforce optimization – Employee/contractor mix • Hot socket model – Using AMI data to preemptively identify meters at risk • Revenue protection – Detecting meter tampering • Frequency regulation – Analysis of PJM bidding strategies
Automation	<ul style="list-style-type: none"> • Scrap metal billing and management • Service Corp billing allocation factors • No-bill workflow assignment process • Customer workflow scheduling
Digital Tools	<ul style="list-style-type: none"> • “The Zone” – Machine learning tool to operate fossil units at optimal level to minimize O&M and capital, while maintaining and improving performance • Generation Monitoring and Diagnostic Center – Predictive capabilities that save O&M and capital
Use of Drones	<ul style="list-style-type: none"> • Storm damage assessment • Real estate and land surveys • Transmission facility inspections, construction monitoring and documentation • Telecommunication tower inspections • Cooling tower and boiler inspections
Outsourcing	<ul style="list-style-type: none"> • Accounting and tax initiative • Rapid application and information support • Lockbox for customer payments by check
Workforce Planning	<ul style="list-style-type: none"> • Approximately 4,000 employees will retire or leave in the next 5 years
Strategic Sourcing	<ul style="list-style-type: none"> • Reducing cost through procurement category management – Continuing to mature our Category Management program and aggressively using strategic sourcing opportunities to optimize the value AEP receives from the \$6B spent annually on goods and services

Capitalization and Liquidity

Total Debt / Total Capitalization



Qualified Pension Funding



Credit Statistics

	Actual		Target
	Moody's	GAAP	
FFO to Total Debt	12.5% ¹	12.0%	Low to Mid Teens

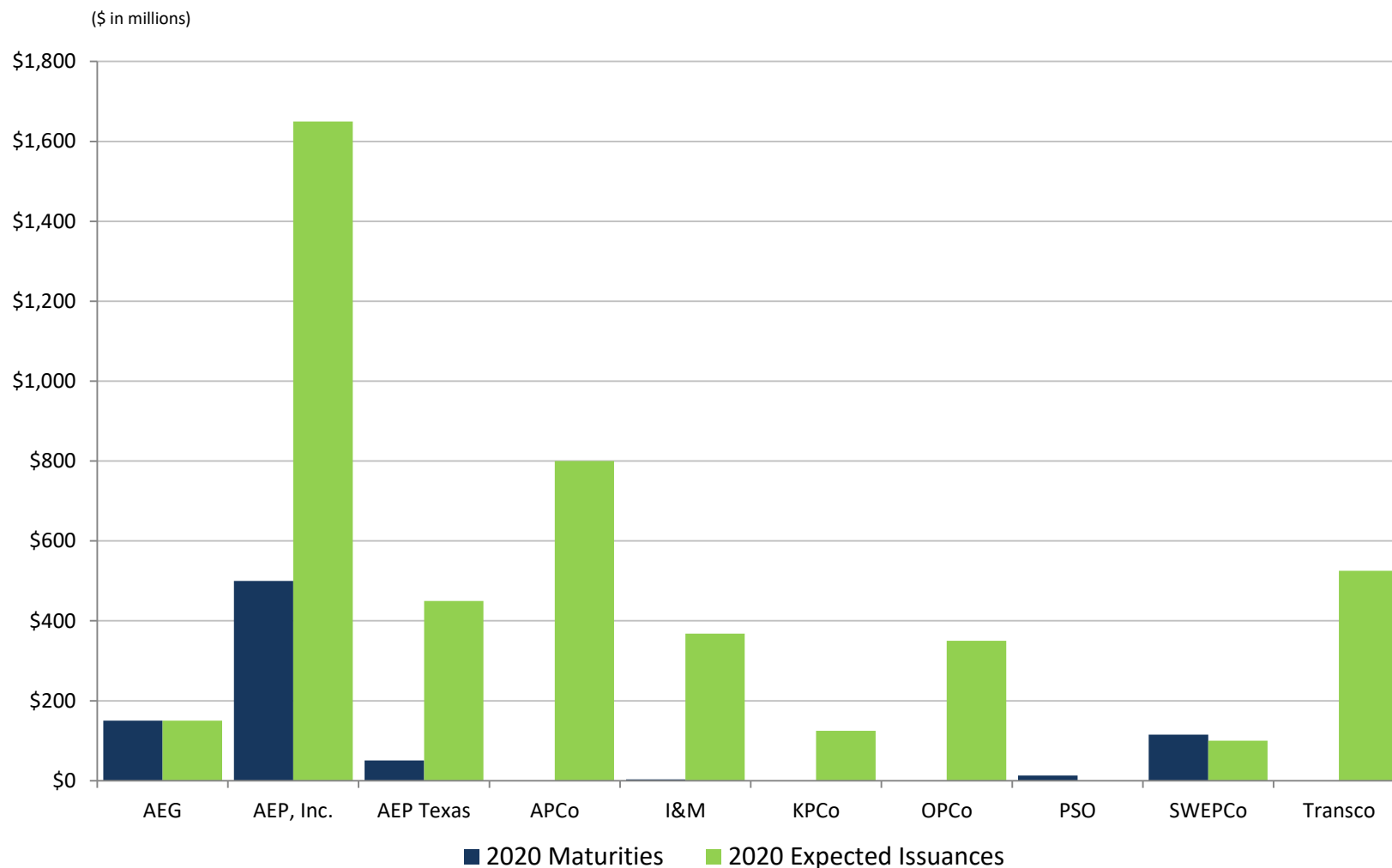
¹ 13.0% when adjusted by subtracting cash balances from total debt due to intentional borrowing to build cash for liquidity reserve purposes

Represents the trailing 12 months as of 3/31/2020

Liquidity Summary

(unaudited)	3/31/2020 Actual	
\$ in millions	Amount	Maturity
Revolving Credit Facility	\$4,000	Jun-22
364-Day Term Loan	1,000	Mar-21
Plus		
Cash and Cash Equivalents	1,555	
Less		
Commercial Paper Outstanding	(2,710)	
364-Day Term Loan	(1,000)	
Letters of Credit Issued	-	
Net Available Liquidity	\$2,845	

2020 Debt Issuance and Maturities Overview



Long-Term Debt Maturity Profile



(\$ in millions)

Year	2020	2021	2022	2023	2024	2025
AEP, Inc.	\$ 500.0	\$ 400.0	\$ 1,105.0	\$ -	\$ 299.0	\$ -
AEP Generating Company	\$ 150.0	\$ -	\$ 45.0	\$ -	\$ -	\$ -
AEP Texas ¹	\$ 110.6	\$ -	\$ 625.0	\$ 125.0	\$ -	\$ 300.0
AEP Transmission Company	\$ -	\$ 50.0	\$ 104.0	\$ 60.0	\$ 95.0	\$ 90.0
Appalachian Power ¹	\$ 65.4	\$ 367.5	\$ 329.4	\$ -	\$ 86.0	\$ 300.0
Indiana Michigan Power	\$ 2.0	\$ 298.5	\$ 39.5	\$ 294.0	\$ 53.5	\$ 150.0
Kentucky Power	\$ 65.0	\$ 40.0	\$ 200.0	\$ -	\$ 65.0	\$ -
Ohio Power	\$ -	\$ 500.0	\$ -	\$ -	\$ -	\$ -
Public Service of Oklahoma	\$ 12.7	\$ 250.0	\$ 125.0	\$ -	\$ -	\$ 125.0
Southwestern Electric Power	\$ 115.0	\$ -	\$ 275.0	\$ -	\$ 25.0	\$ -
Wheeling Power Company	\$ -	\$ -	\$ 178.0	\$ -	\$ -	\$ 122.0
Total	\$ 1,020.6	\$ 1,906.0	\$ 3,025.8	\$ 479.0	\$ 623.5	\$ 1,087.0

* Excludes securitization bonds

Includes mandatory tenders (put bonds)

Data as of March 31, 2020

AEP Credit Ratings



Company	Moody's		S&P	
	Senior Unsecured	Outlook	Senior Unsecured	Outlook
American Electric Power Company Inc.	Baa1	N	BBB+	S
AEP, Inc. Short Term Rating	P2	S	A2	S
AEP Texas Inc.	Baa1	N	A-	S
AEP Transmission Company, LLC ¹	A2	S	A-	S
Appalachian Power Company ²	Baa1	S	A-	S
Indiana Michigan Power Company ²	A3	S	A-	S
Kentucky Power Company	Baa3	S	A-	S
AEP Ohio	A2	N	A-	S
Public Service Company of Oklahoma	A3	N	A-	S
Southwestern Electric Power Company	Baa2	S	A-	S
Transource Energy ³	A2	S	NR	NR

¹ AEP Transmission Co. received a senior unsecured debt rating of A- from Fitch. The rating outlook is Stable.

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

³ NR stands for Not Rated.

Ratings current as of May 1, 2020

ENVIRONMENTAL DATA



Delivering Clean Energy Resources

AEP's Expected June 30, 2020 Renewable Portfolio (in MW)

Hydro, Wind, Solar and Pumped Storage	Owned MW	PPA MW	Total MW
AEP Ohio		209	209
Appalachian Power Company	785	575	1,360
Indiana Michigan Power Company	36	450	486
Public Service Company of Oklahoma		1,137	1,137
Southwestern Electric Power Company		469	469
Competitive Wind, Solar and Hydro	1,471	101	1,572
Total	2,292	2,941	5,233



APPROXIMATELY
11,900 MW of
Renewable Generation Interconnected
Across the U.S. via AEP's
Transmission System Today



AEP's Carbon Emission Reduction Goals

70% by 2030
80% by 2050¹
(both from a 2000 baseline)

Strategy to Achieve

- ❑ Investments in renewable energy within and outside of our traditional service territory
- ❑ Technology deployment (e.g., energy storage)
- ❑ Modernization of the grid with significant investments in transmission and distribution
- ❑ Increased use of natural gas
- ❑ Optimization of our existing generating fleet

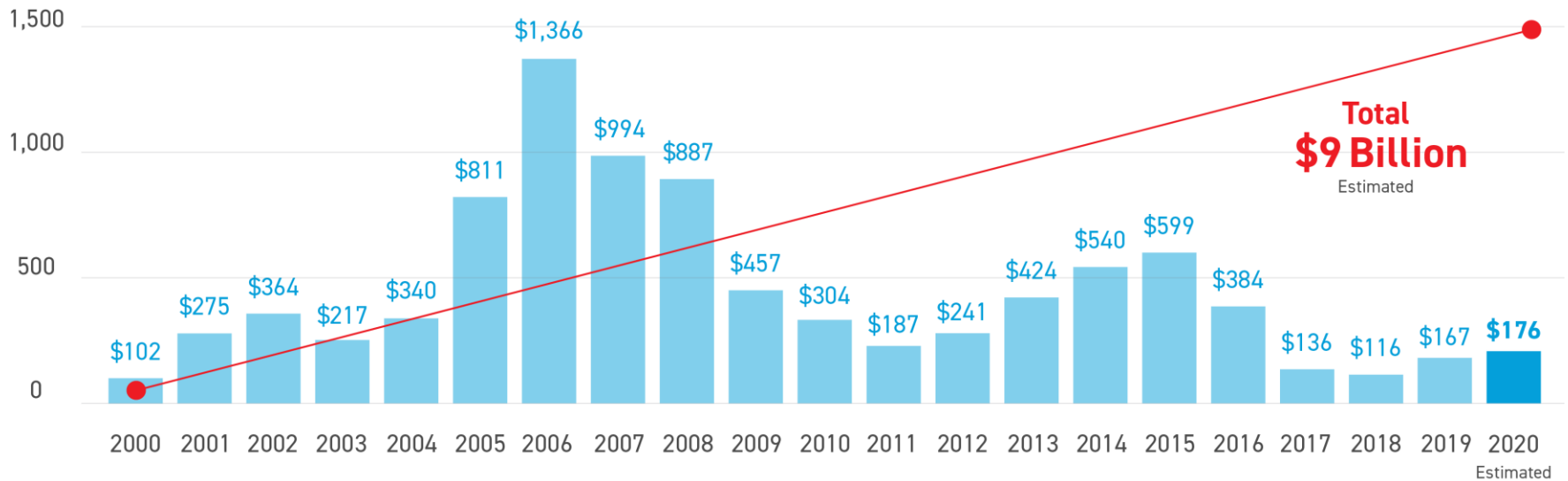
Environmental, Social and Governance (ESG) Reporting:

- AEP's Corporate Accountability Report
- Clean Energy Strategy: American Electric Power: Strategic Vision for a Clean Energy Future
- EEI ESG Sustainability Reporting: AEP's 2019 EEI ESG Report
- AEP's CDP Survey Responses
- AEP's GRI Report
- AEP also responds to investor-related surveys, including MSCI and Sustainalytics

¹ Aspiration is zero emissions

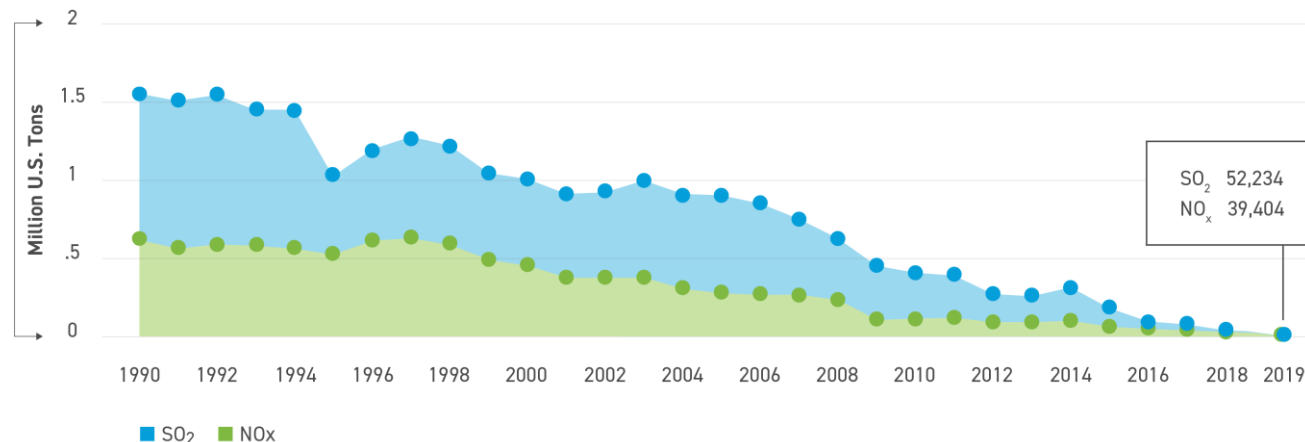
Largest Investment in Controls

INVESTMENTS IN ENVIRONMENTAL CONTROLS \$ in millions



Dramatic Reductions in Emissions

TOTAL AEP SYSTEM NO_x & SO₂ EMISSIONS



Direct annual emissions of SO₂ and NO_x from AEP's ownership share of generation as reported under Title IV of the 1990 Clean Air Act.

SO₂

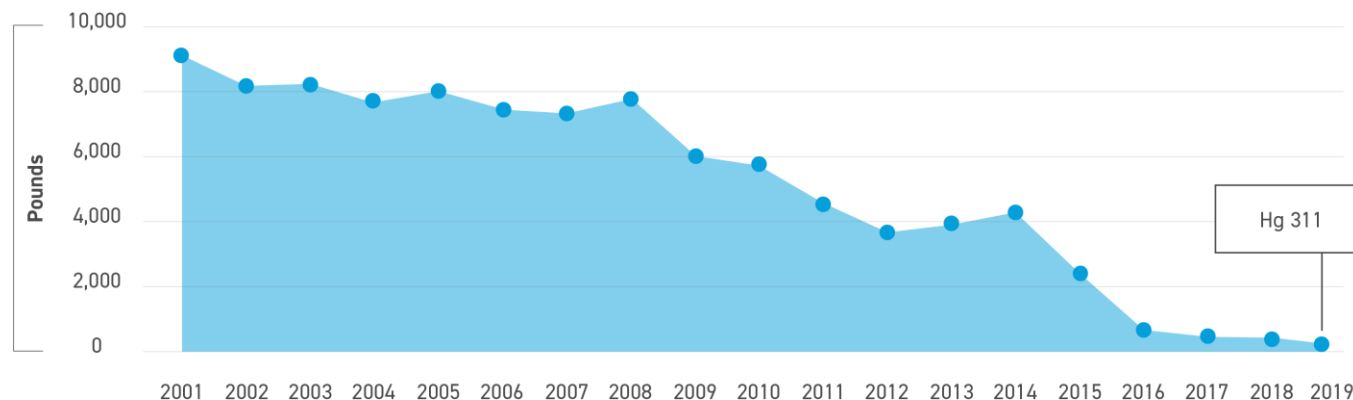
1990-2019
ACTUAL

97%

NO_x

94%

TOTAL AEP SYSTEM MERCURY AIR EMISSIONS



AEP equity share of mercury air emissions from Toxic Release Inventory reporting. 2019 was estimated with MATS program emission monitors.

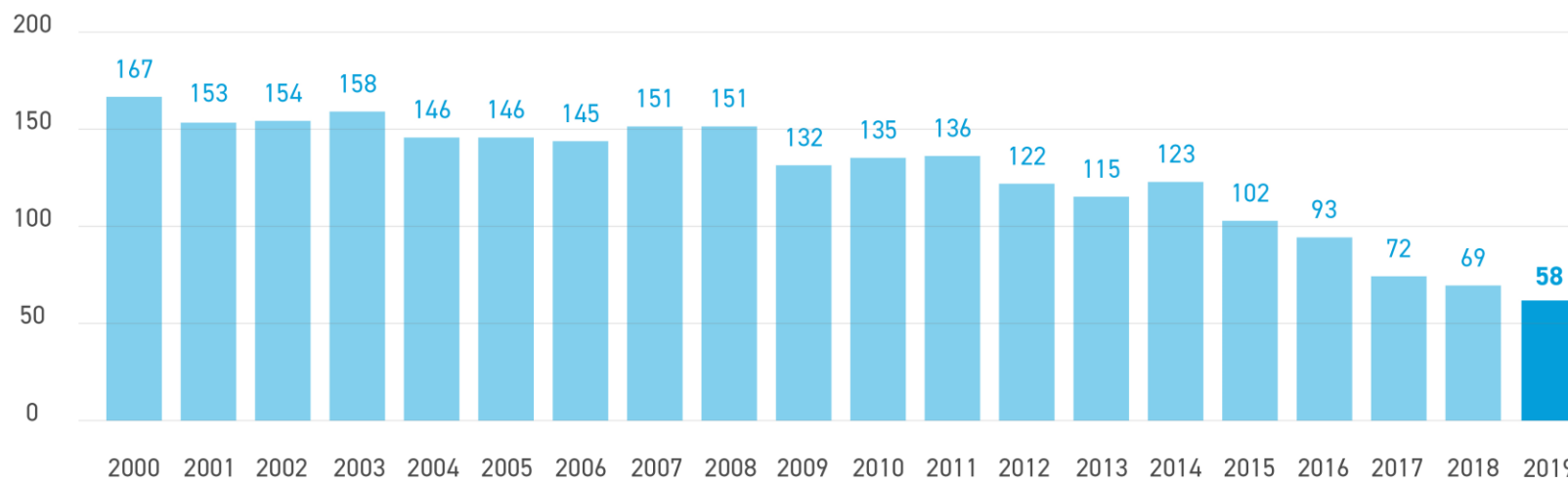
Hg

2001-2019
ACTUAL

97%

Dramatic Reductions in Emissions

TOTAL AEP SYSTEM – ANNUAL CO₂ EMISSIONS in million metric tons



Direct CO₂ emissions from AEP's ownership share of generation as reported under Title IV of the 1990 Clean Air Act.

