



Credit Ratings and Downgrade Thresholds

AEP Downgrade Threshold (on a sustained basis)

| | |
|------------------------|------|
| Moody's: FFO/Debt | 13% |
| S&P: FFO/Debt | 13% |
| Fitch: FFO Leverage | 5.8x |

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 | N | BBB | S |
| AEP, Inc. Short Term Rating ² | P2 | S | A-2 | S | NR | NR |
| AEP Texas Inc. | Baa2 | N | BBB+ | N | BBB+ | S |
| AEP Transmission Company, LLC | A2 | S | BBB+ | N | A | S |
| Appalachian Power Company ¹ | Baa1 | S | BBB+ | N | A- | S |
| Indiana Michigan Power Company ¹ | A3 | S | BBB+ | N | A | S |
| Kentucky Power Company | Baa3 | S | BBB | N | BBB+ | S |
| AEP Ohio | Baa1 | S | BBB+ | N | A | N |
| Public Service Company of Oklahoma | Baa1 | S | BBB+ | N | A- | S |
| Southwestern Electric Power Company | Baa2 | S | BBB+ | N | BBB+ | S |
| Transource Energy ² | A2 | S | NR | NR | NR | NR |