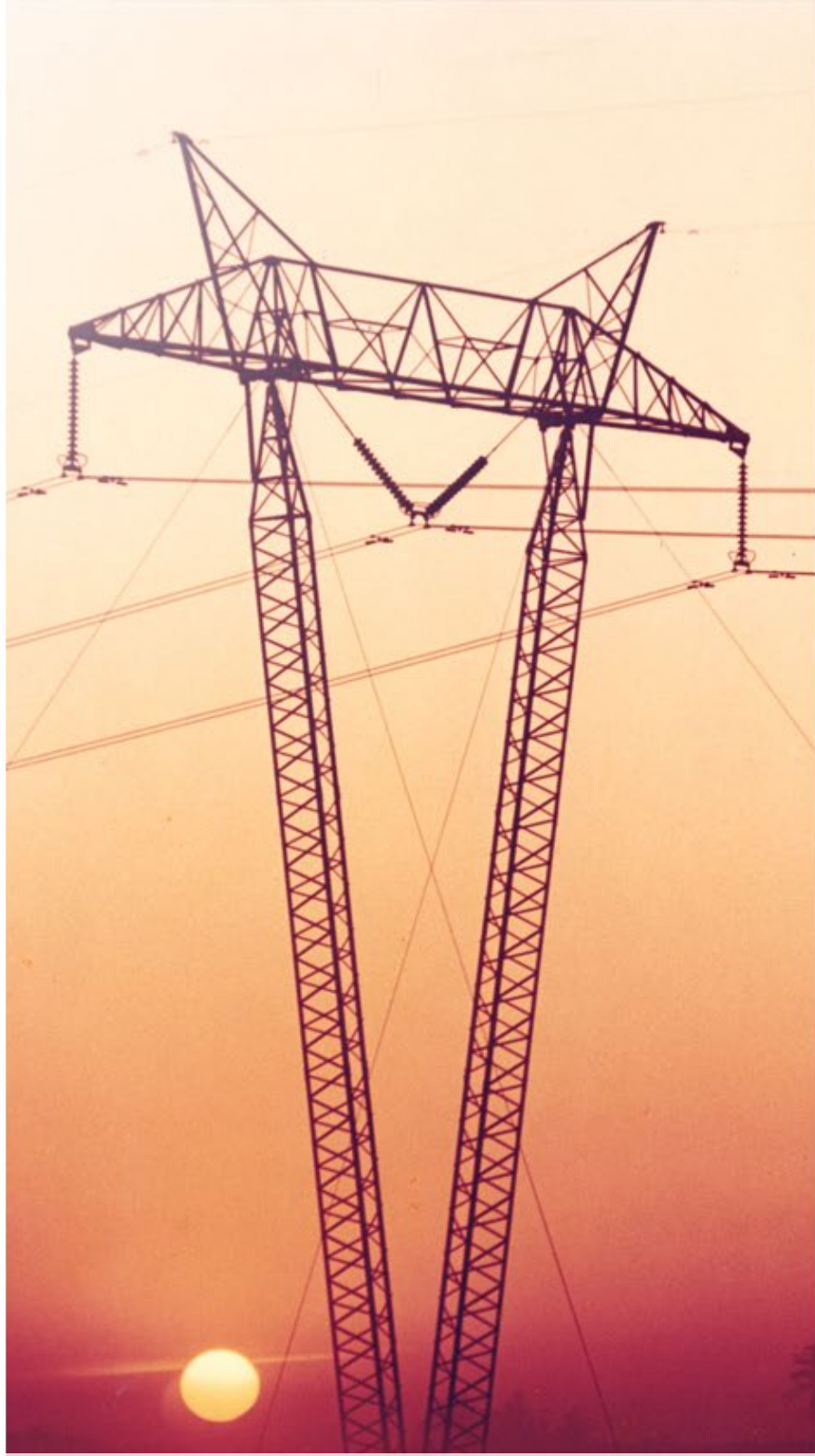




BOUNDLESS ENERGYSM



2nd Quarter 2022 Earnings Release Presentation

July 27, 2022

“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, 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 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 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.

Darcy Reese, Vice President

Investor Relations
614-716-2614
dlreese@aep.com

Annie Pribisko, Director

Investor Relations
614-716-2646
acpribisko@aep.com

Non-GAAP Financial Measures

AEP reports its financial results in accordance with accounting principles generally accepted in the United States (GAAP). AEP supplements the reporting of financial information determined in accordance with GAAP with certain non-GAAP financial measures, including operating earnings (non-GAAP) and FFO to Total Debt. Operating earnings (non-GAAP) excludes certain gains and losses and other specified items, including mark-to-market adjustments from commodity hedging activities and other items as set forth in the reconciliation in the Appendix. FFO to Total Debt is adjusted for the effects of securitization, spent nuclear fuel trust, capital and operating leases, pension, capitalized interest and changes in working capital. Operating earnings could differ from GAAP earnings for matters such as impairments, divestitures, or changes in accounting principles. AEP management is not able to forecast if any of these items will occur or any amounts that may be reported for future periods. Therefore, AEP is not able to provide a corresponding GAAP equivalent for earnings guidance. Reflecting special items recorded through the second quarter of 2022, the estimated earnings per share on a GAAP basis would be \$4.88 to \$5.08 per share.

This information is intended to enhance an investor's overall understanding of period over period financial results and provide an indication of AEP's baseline operating performance by excluding items that are considered by management to be not directly related to the ongoing operations of the business. In addition, this information is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets and planning and forecasting of future periods.

These non-GAAP financial measures are not a presentation defined under GAAP and may not be comparable to other companies' presentations. AEP has provided these non-GAAP financial measures as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. These non-GAAP measures should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP measures provided in the materials presented. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are provided in the appendices and supplemental schedules to this presentation.

Pure Play Regulated Utility

16,700 EMPLOYEES

26GW OWNED GENERATION

5.5M CUSTOMERS, 11 STATES

\$88B TOTAL ASSETS

40,000 TRANSMISSION MILES
LARGEST IN THE U.S.

224,000 DISTRIBUTION MILES

\$56B RATE BASE

\$49B CURRENT MARKET CAPITALIZATION

Statistics as of December 31, 2021 except for owned generation as of June 30, 2022 and market capitalization as of July 26, 2022.

AEP's Strategic Vision and Execution

Execute Strategy

Clean

Lead the transformation to a clean energy economy through electrification and zero carbon resources

Top Priorities

- Transform all parts of our business to align with AEP emission reduction goals
- Improve the reliability and resiliency of the grid to facilitate a clean energy economy for our communities

Customer and Community Centric Growth

Aggressively expand investments and service offerings

- Advance electrification of the economy
- Support and build thriving communities through economic development and job growth
- Diversify our asset base and service offerings

Innovate and Achieve

Continue to raise the bar in operational excellence and empower teams to integrate technologies, analytics and risk mitigation tools for the benefit of our customers and communities

- Achieve 6%-7% per year earnings per share growth and maintain at least a BBB Stable/Baa2 Stable credit rating
- Empower our teams to continually innovate solutions in all aspects of our business
- Be best in class in cost and operational excellence through our continuous improvement foundation of Achieving Excellence

Affordable

Relentless pursuit of affordable energy solutions

- Be an industry leader in cost efficiency
- Grow our business while keeping rates at or below regional average
- Ensure cost competitiveness with leading technologies

Engage

Equip our workforce and improve our employee experience

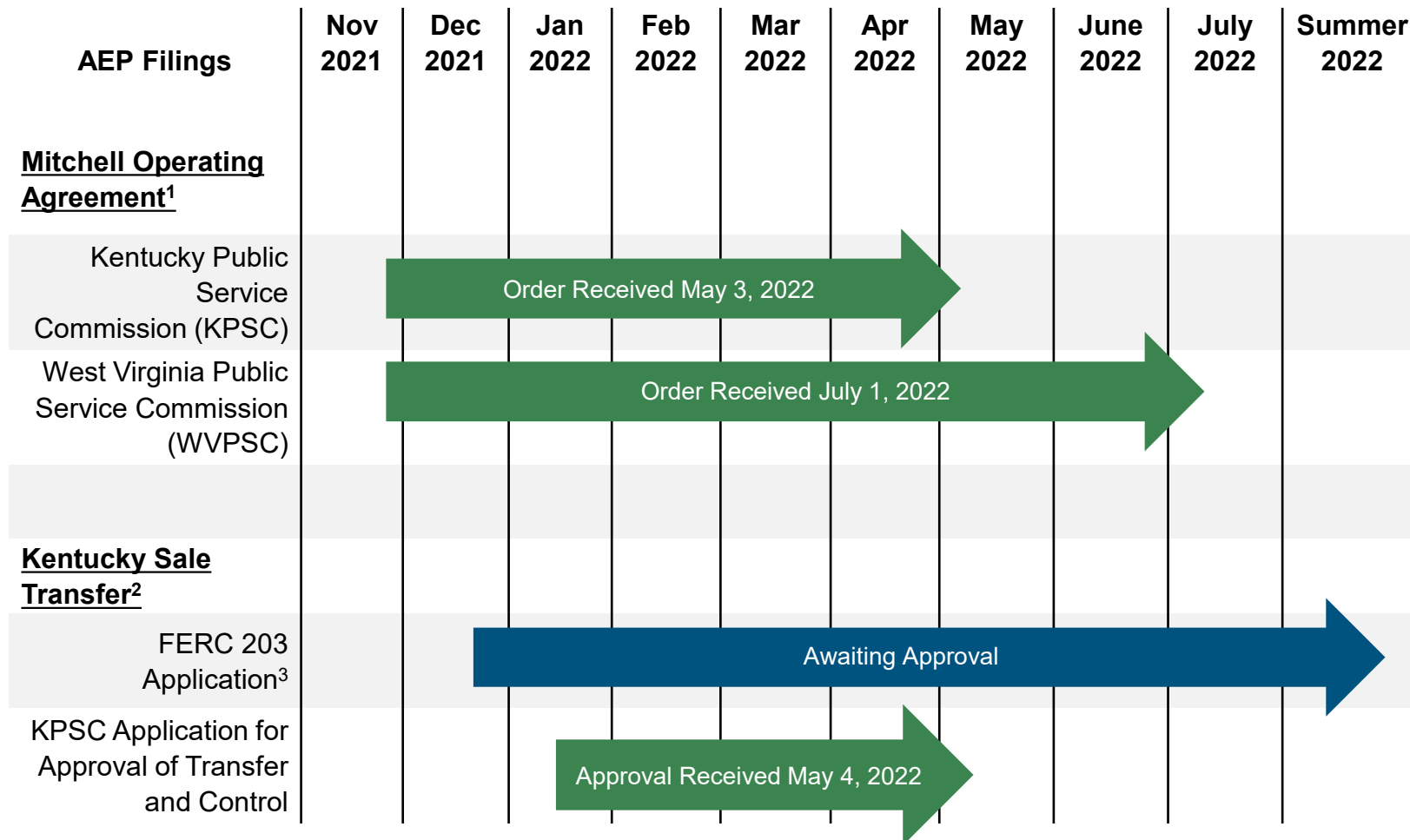
- Achieve Zero Harm
- Be a great place to work

2nd Quarter 2022 Business Update

- ❑ 2nd Quarter 2022 operating earnings of \$1.20 per share or \$618M
- ❑ Reaffirm 2022 operating earnings guidance range of \$4.87-\$5.07 and 6%-7% long-term growth rate
- ❑ Kentucky operations sale to Liberty expected to close in Summer 2022
- ❑ Progress on unregulated renewable divestitures
- ❑ Regulated renewables execution
 - ✓ Regulatory filings pending for 999 MW / \$2.2B owned renewables at SWEPCO
 - ✓ Regulatory filings approved for 409 MW / \$841M owned renewables at APCo
 - ✓ Additional RFPs in process at APCo, I&M and PSO
- ❑ Other current regulatory activity: ROEs, Arkansas, Louisiana, Virginia and FERC
- ❑ Analyst day scheduled for October 4th in New York City

Regulatory Timeline of Kentucky Sale

In October 2021, AEP entered into an agreement to sell its Kentucky operations to Liberty (Algonquin Power & Utilities). The sale is expected to close in Summer 2022 pending approvals of the Kentucky Sale Transfer.



Mitchell Operating Agreement Update:

- Filings made July 11, 2022 with Commissions
- Current plan is to move forward with existing Mitchell Operating Agreement
- No additional filings are expected at this time

Kentucky Sales Transfer Update:

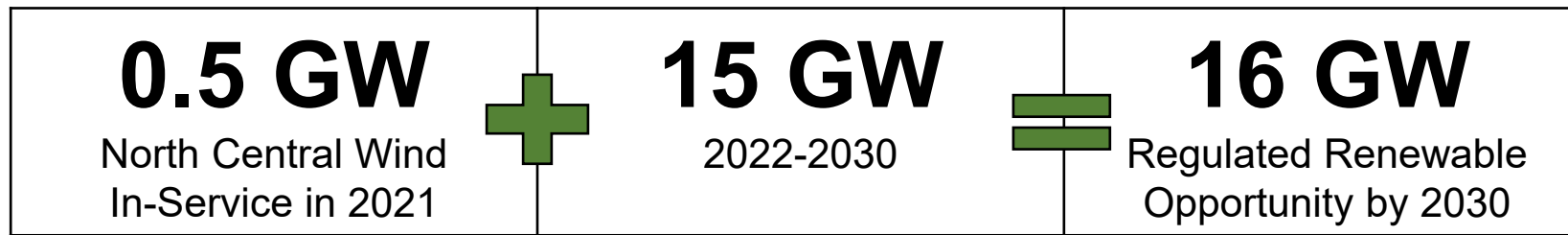
- FERC 203 approval expected in Summer 2022

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.

² Committee on Foreign Investment in the United States (90-120 days) and Hart-Scott-Rodino review (30-60 days); 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.

Commitment to Regulated Renewables



Commissioned **1 GW** NCW – Traverse site on 3/18/2022
409 MW owned resources approved at APCo
999 MW owned resources filed for approval at SWEPCO
Renewable RFPs in progress at APCo, I&M and PSO



\$8.2 Billion^{1,2,3}
In 2022-2026 Capital Plan

Successful North Central Wind project sets
foundation for regulated renewables platform

Diligently working on securing additional
renewable opportunities for customers

**Committed to Transforming our Generating Fleet to
~50% Renewables by 2030**

¹ Includes 998 MW / \$1.3B investment in NCW – Traverse project.

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

³ AEP's capital plan is based on current tax credit law. Any potential PTC/ITC extension could present upside to current plan.

Regulated Renewable Projects and RFPs

Owned Renewable Projects Approved



Resource	Project	MWs	Projected In-Service Date	Regulatory filing date: December 30, 2021 Projects Approved: June/July 2022 Total investment: 409 MW / \$841M
Solar	Amherst / Virginia	5	Q4-22	
Solar	Bedington / West Virginia	50	Q4-23	
Solar	Firefly / Virginia	150	Q3-24	
Wind	Top Hat / Illinois	204	Q1-25	

Owned Renewable Projects Currently Seeking Regulatory Approval



Resource	Project	MWs	Projected In-Service Date	Regulatory filing date: May 27, 2022 Expected Order: 2023 Total investment: 999 MW ¹ / \$2.2B
Wind	Diversion / Texas	201	Q4-24	
Solar	Mooringsport / Louisiana	200	Q4-25	
Wind	Wagon Wheel / Oklahoma	598	Q4-25	

2022 Integrated Resource Plan Filings (IRPs)

- I&M (IN) – January 2022
- I&M (MI) – February 2022
- APCo (VA) – April 2022
- APCo VCEA (VA) – Q4-22
- SWEPCO (LA) Draft – Q4-22

Request For Proposals (RFPs) in Progress



4.2 GW

Issued: November 2021
Wind: 2,800 MW
Solar/Storage: 1,350 MW
Regulatory Filings & Approvals:
 Q3-22 – Q2-23
In-Service Dates: YE24 – YE25



1.1 GW²

Issued: January 2022
Wind: 1,000 MW
Solar/Storage: 100 MW
Regulatory Filings & Approvals:
 Q4-22 – Q2-23
In-Service Date: YE25



1.3 GW³

Issued: March 2022
Wind: 800 MW
Solar/Storage: 500 MW
Regulatory Filings & Approvals:
 Q4-22 – Q2-23
In-Service Date: YE24 – YE25

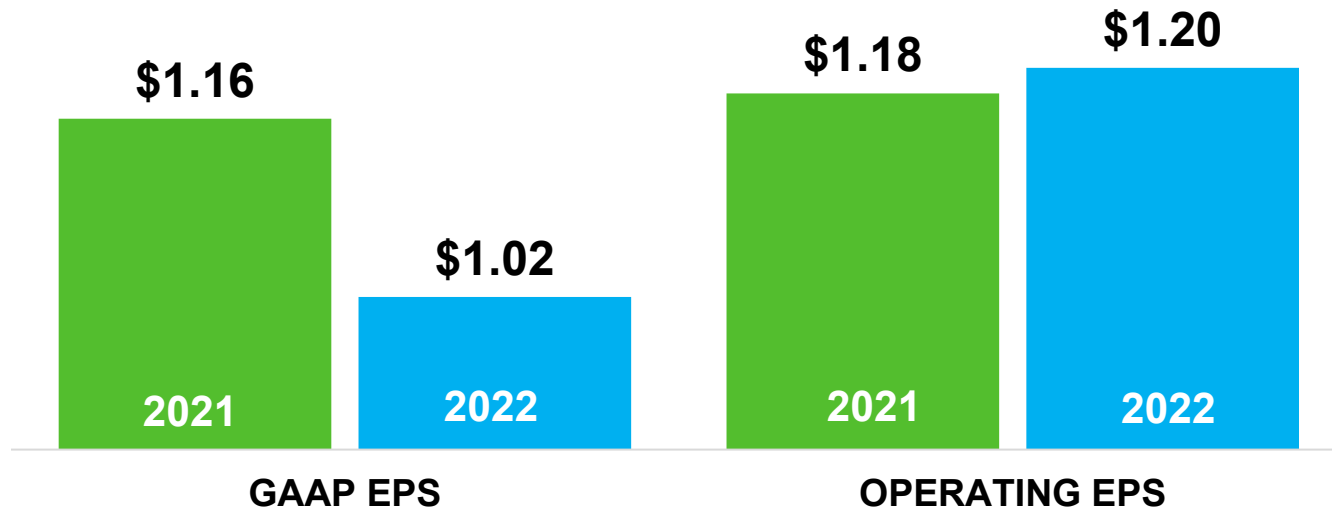
¹ Additional RFP issuance expected in the near term consistent with the IRPs for energy and capacity needs.

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.

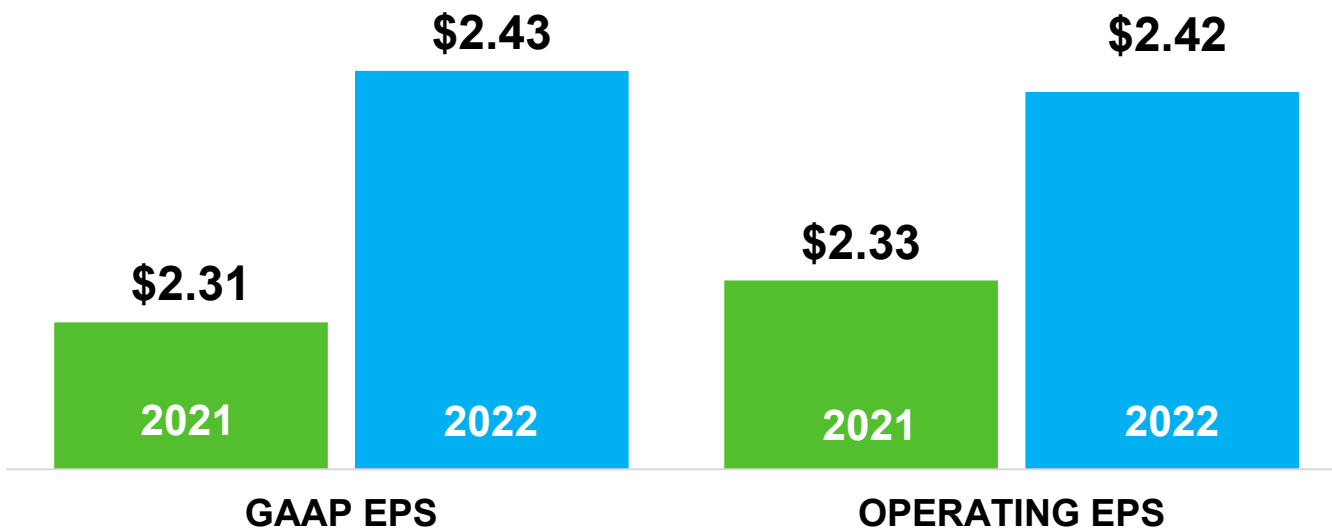
2nd Quarter 2022 Financial Update

2nd QUARTER 2022



- ✓ Delivered GAAP earnings of \$1.02 per share or \$524.5M for the second quarter of 2022
- ✓ Delivered operating earnings of \$1.20 per share or \$617.7M for the second quarter of 2022

YTD 2022



- ✓ Delivered GAAP earnings of \$2.43 per share or \$1.24B for YTD June 2022
- ✓ Delivered operating earnings of \$2.42 per share or \$1.23B for YTD June 2022

Quarterly EPS is a stand alone amount and not always additive to full year amount due to rounding.

Refer to Appendix for reconciliation between GAAP and Operating EPS with differences primarily driven by the mark-to-market impact on commodity hedging activities, gain on sale of mineral rights, write-off of Flat Ridge 2 and the Kentucky sale costs.

2nd Quarter Operating Earnings Segment Detail



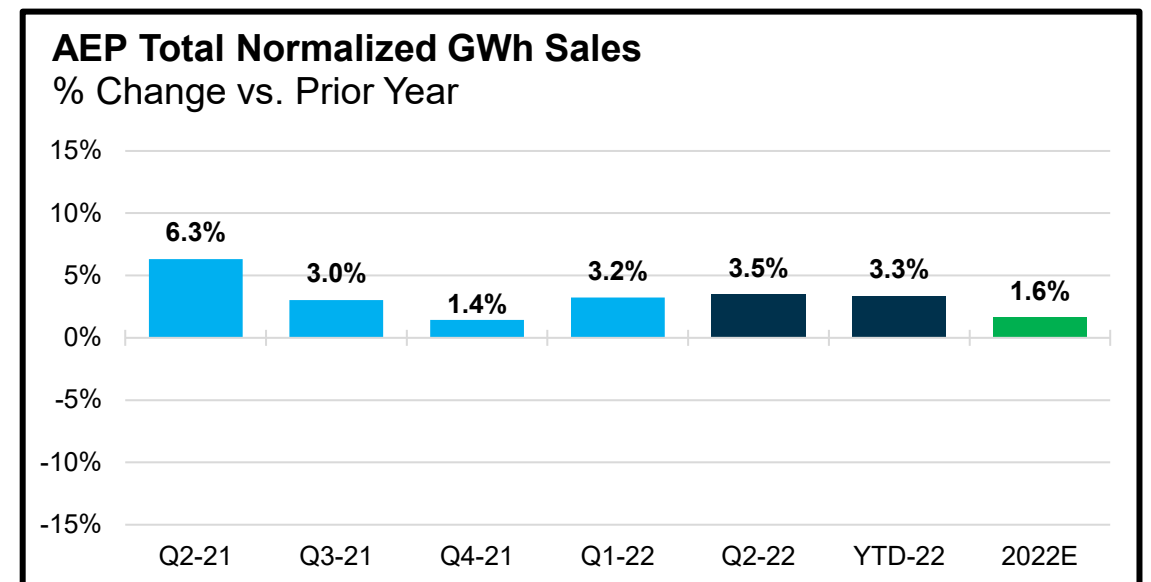
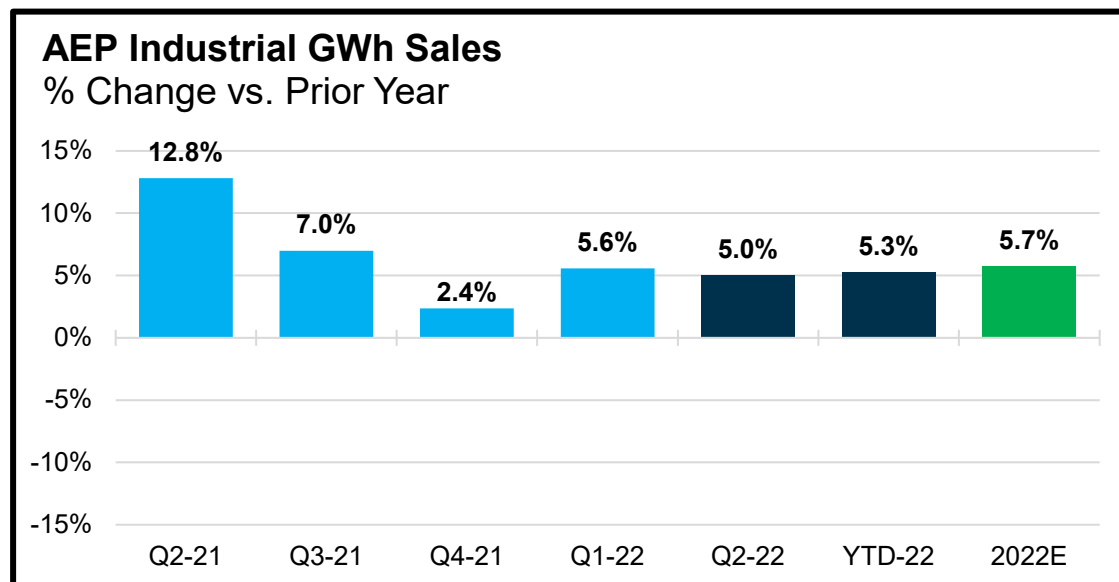
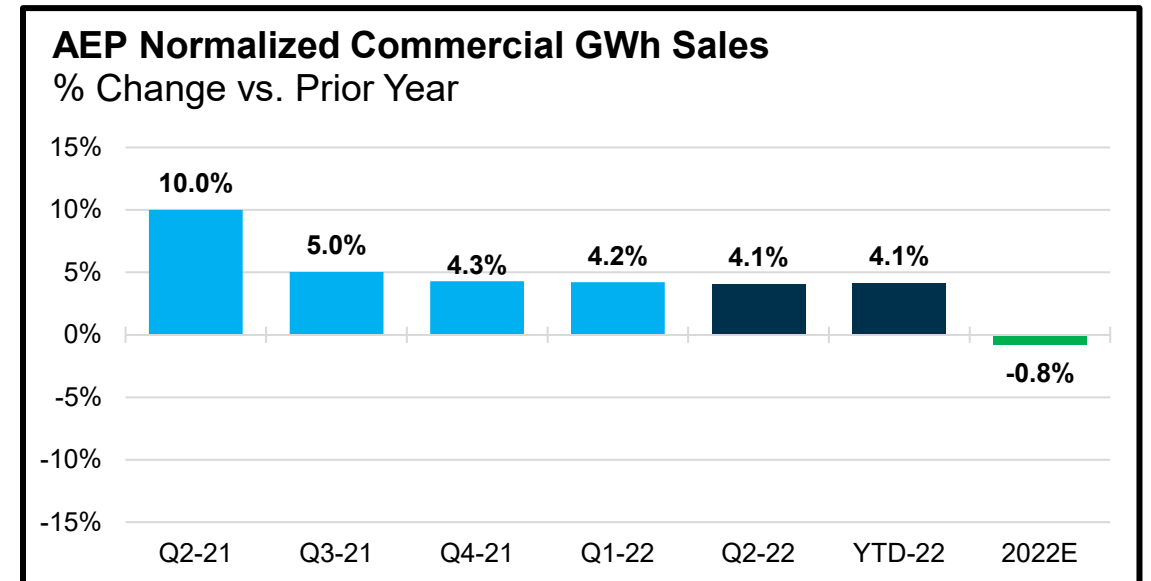
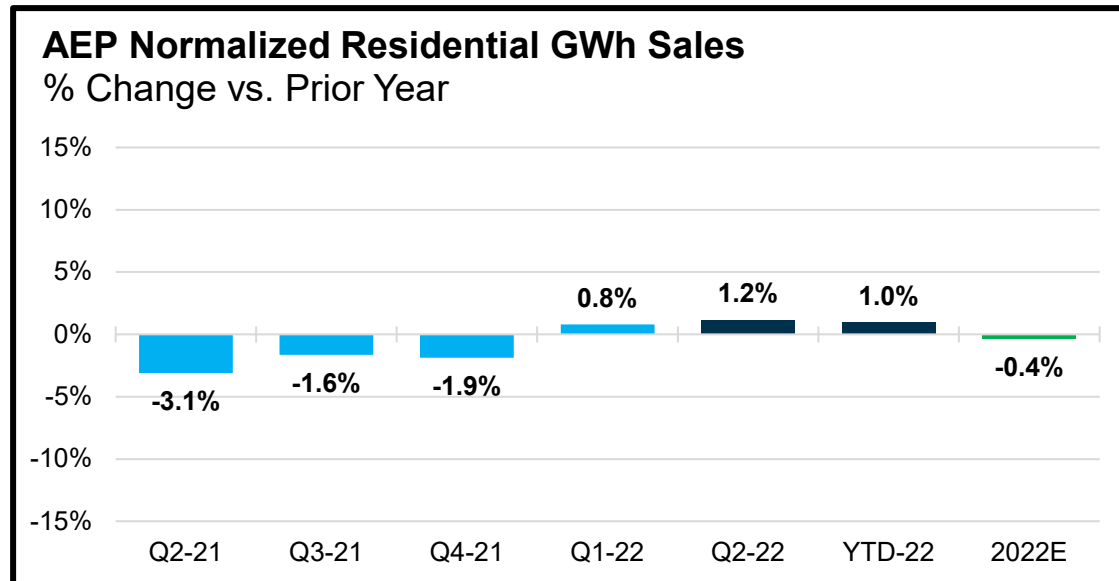
Refer to Appendix for additional explanation of variances by segment.

YTD Operating Earnings Segment Detail



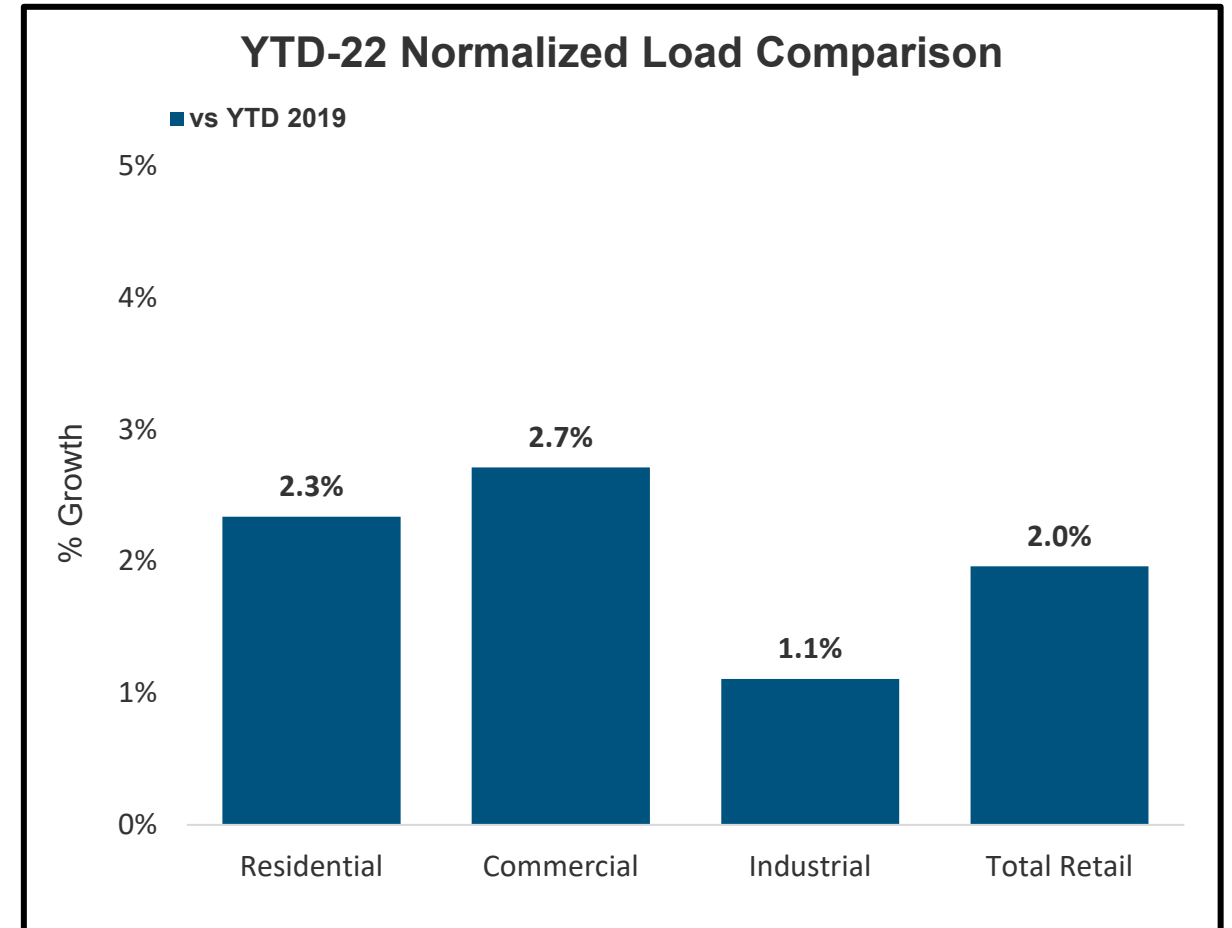
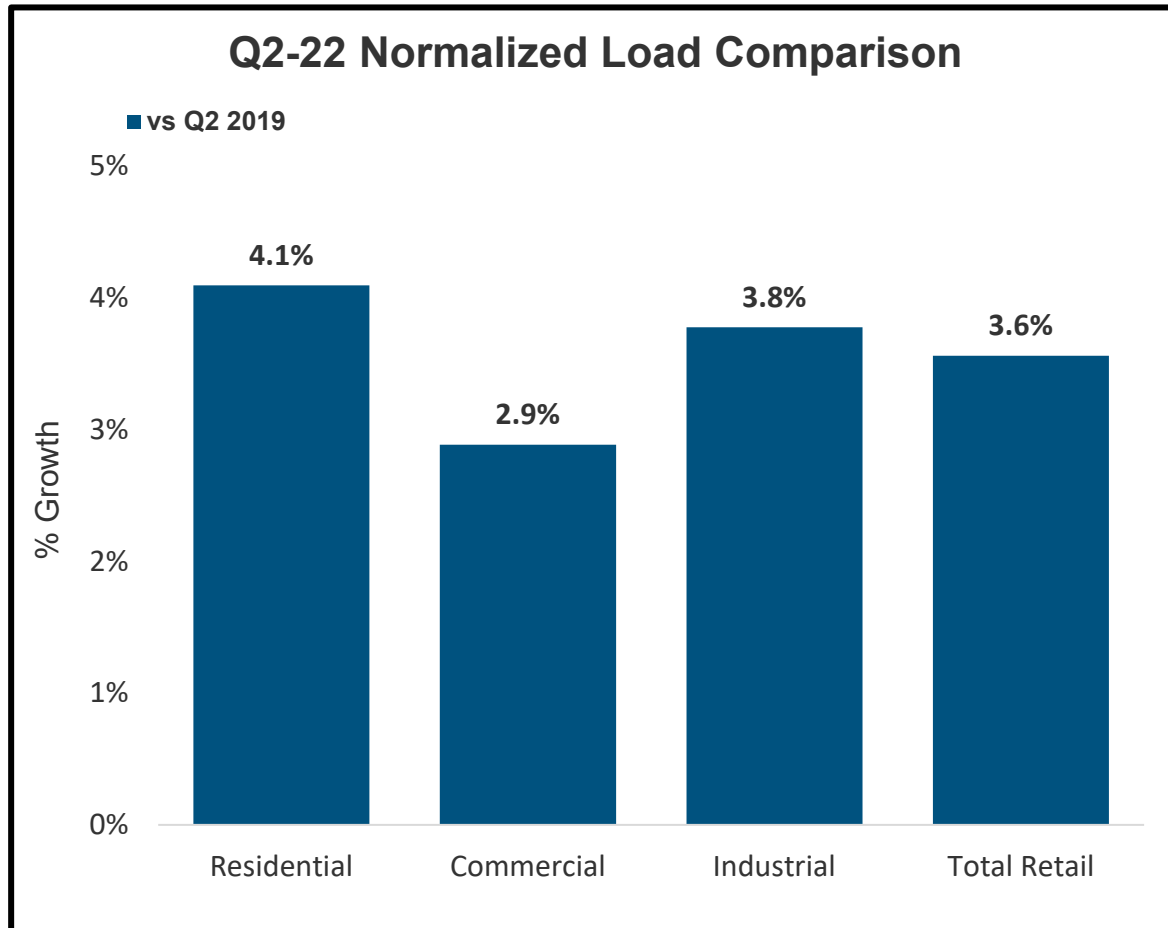
Refer to Appendix for additional explanation of variances by segment.

Weather Normalized Billed Retail Load Trends



Load figures are provided on a billed basis. Charts reflect connected load and exclude firm wholesale load.

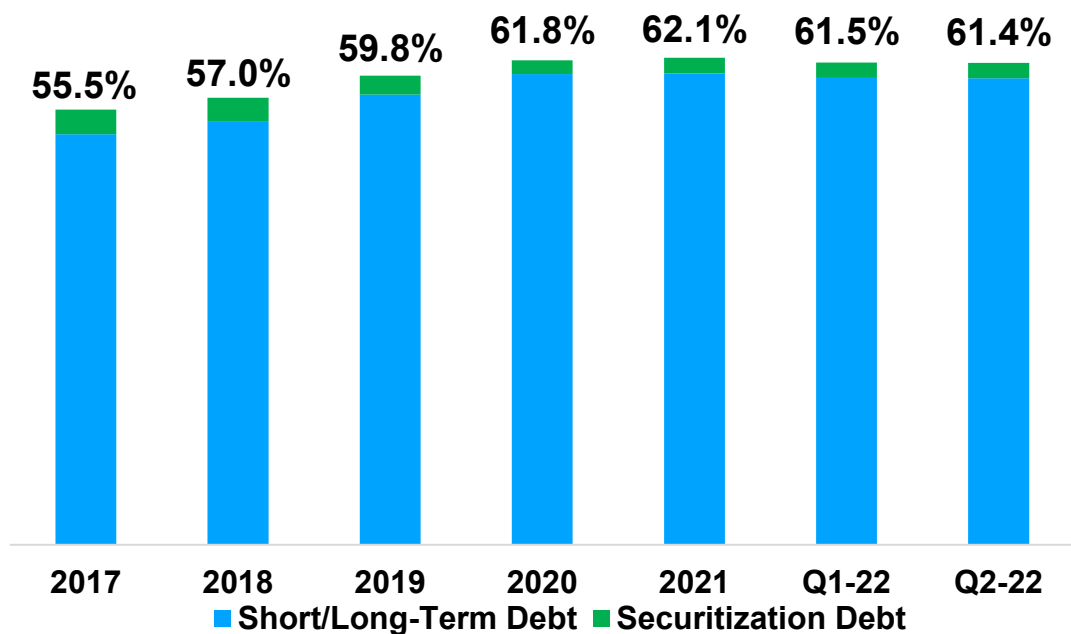
AEP's Load Exceeds Pre-Pandemic Levels



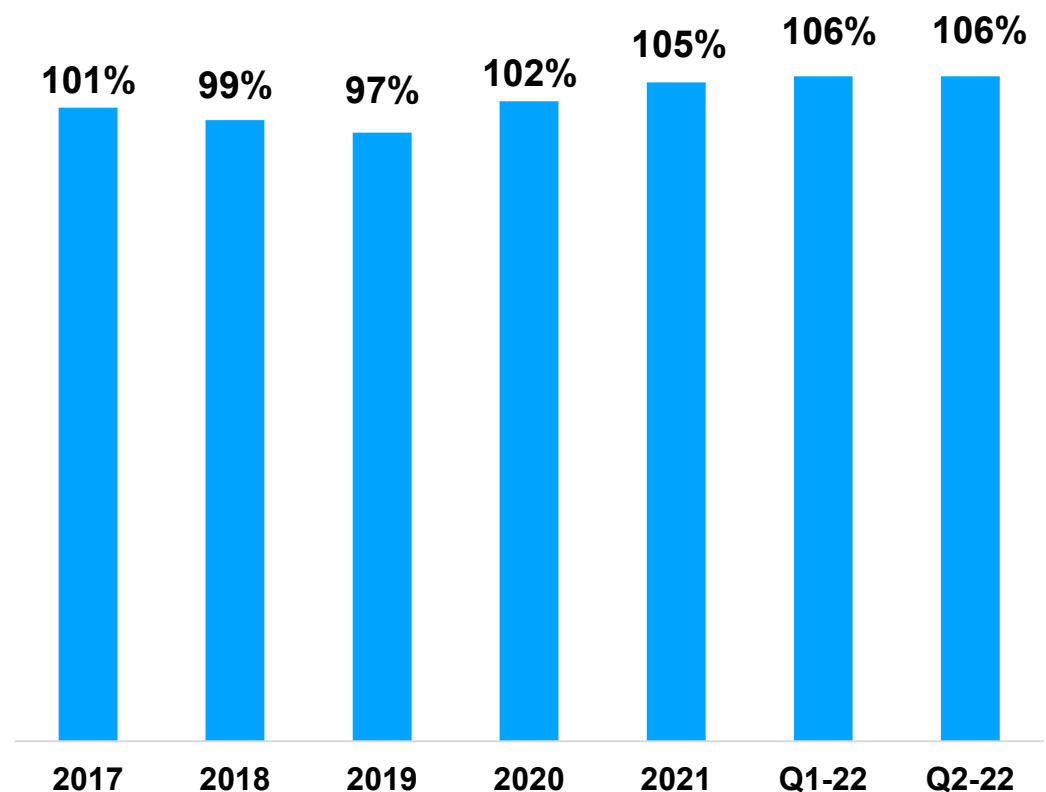
✓ Strong load growth in all classes
✓ Load has fully recovered and is in the expansion phase

Capitalization and Liquidity

Total Debt/Total Capitalization



Qualified Pension Funding



Credit Statistics

	Moody's	GAAP
FFO to Total Debt	13.4%	13.3%
Targeted Range	14.0%-15.0%	

*Represents the trailing 12 months as of 6/30/2022
See Appendix for reconciliation to GAAP*

Liquidity Summary

(\$ in millions)	6/30/2022 Actual	
	Amount	Maturity
Revolving Credit Facility	\$ 4,000	March 2027
Revolving Credit Facility	1,000	March 2024
Term Loan	500	August 2022
Plus		
Cash & Cash Equivalents	575	
Less		
Commercial Paper Outstanding	(880)	
Term Loan	(500)	
Net Available Liquidity	\$ 4,695	

Summary

- ✓ Reaffirm 2022 operating earnings guidance range of \$4.87-\$5.07
- ✓ Reaffirm long-term growth rate of 6%-7%
- ✓ Kentucky operations sale expected to close in Summer 2022
- ✓ Continue to de-risk and simplify the business
- ✓ Analyst day scheduled for October 4th in New York City



North Central Wind - Traverse

APPENDIX – Q2 2022 PERFORMANCE

2nd Quarter Reconciliation of GAAP to Operating Earnings

	\$ in millions			Earnings Per Share		
	Q2-21	Q2-22	Change	Q2-21	Q2-22	Change
Reported GAAP Earnings	\$ 578	\$ 525	\$ (53)	\$ 1.16	\$ 1.02	\$ (0.14)
Non Operating Items:						
Mark-to-Market Impact of Commodity Hedging Activities ¹	(7)	(37)	(30)	(0.02)	(0.07)	(0.05)
Gain on Sale of Mineral Rights ^{1,2}	-	(92)	(92)	-	(0.18)	(0.18)
Write-off of Flat Ridge 2 ^{1,3}	-	147	147	-	0.29	0.29
Mark-to-Market Impact of Certain Investments ⁴	-	2	2	-	-	-
Kentucky Sale Costs ^{4,5}	-	73	73	-	0.14	0.14
State Tax Law Changes ⁶	19	-	(19)	0.04	-	(0.04)
AEP Operating Earnings	\$ 590	\$ 618	\$ 28	\$ 1.18	\$ 1.20	\$ 0.02

¹ Items recorded in Generation & Marketing segment.

² Represents gain on sale of oil and gas rights associated with an underground geologic formation in Ohio.

³ Represents the impact of the impairment related to the investment in Flat Ridge 2 Wind Farm.

⁴ Items recorded in Corporate and Other segment.

⁵ Includes third-party transaction costs incurred due to the strategic evaluation of AEP's Kentucky operations as well as a provision for loss on the sale.

⁶ Items recorded across multiple segments.

Weighted average number of shares outstanding: 499.9M Q2-21 and 513.6M Q2-22

YTD Reconciliation of GAAP to Operating Earnings

	\$ in millions			Earnings Per Share		
	YTD-21	YTD-22	Change	YTD-21	YTD-22	Change
Reported GAAP Earnings	\$ 1,153	\$ 1,239	\$ 86	\$ 2.31	\$ 2.43	\$ 0.12
Non Operating Items:						
Mark-to-Market Impact of Commodity Hedging Activities ¹	(12)	(136)	(124)	(0.02)	(0.27)	(0.25)
Gain on Sale of Mineral Rights ^{1,2}		(92)	(92)		(0.18)	(0.18)
Write-off of Flat Ridge 2 ^{1,3}		147	147		0.29	0.29
Accumulated Deferred Income Tax Adjustments ⁴	-	(2)	(2)	-	-	-
Mark-to-Market Impact of Certain Investments ⁴	-	2	2	-	-	-
Kentucky Sale Costs ^{4,5}	-	76	76	-	0.15	0.15
State Tax Law Changes ⁶	19	-	(19)	0.04	-	(0.04)
AEP Operating Earnings	\$ 1,160	\$ 1,234	\$ 74	\$ 2.33	\$ 2.42	\$ 0.09

¹ Items recorded in Generation & Marketing segment.

² Represents gain on sale of oil and gas rights associated with an underground geologic formation in Ohio.

³ Represents the impact of the impairment related to the investment in Flat Ridge 2 Wind Farm.

⁴ Items recorded in Corporate and Other segment.

⁵ Includes third-party transaction costs incurred due to the strategic evaluation of AEP's Kentucky operations as well as a provision for loss on the sale.

⁶ Items recorded across multiple segments.

Weighted average number of shares outstanding: 498.5M YTD-21 and 509.9M YTD-22

Vertically Integrated Utilities

2nd Quarter Summary

\$ in millions (except EPS)	Q2-21	Q2-22
Operating Revenues	\$ 2,261	\$ 2,649
Operating Expenses:		
Energy Costs	(650)	(838)
Operations and Maintenance	(704)	(780)
Depreciation and Amortization	(434)	(504)
Taxes Other Than Income Taxes	(128)	(129)
Operating Income	345	398
Net Interest/AFUDC	(126)	(140)
Non-Service Benefit Cost Components	17	27
Income Taxes	(9)	18
Other	-	(2)
Operating Earnings	227	301
Proforma Adjustments, Net of Tax	1	-
GAAP Earnings	\$228	\$301
EPS from Operating Earnings	\$ 0.45	\$ 0.59

See slide 18 for items excluded from Net Income to reconcile to Operating Earnings.

Key Drivers: Q2-22 vs. Q2-21

- ✓ Rate Changes: \$47M favorable vs. prior year primarily from rate increases at APCo, PSO and SWEPCO
- ✓ Weather: \$32M favorable vs. prior year; \$38M favorable vs. normal
- ✓ Normal Load: \$10M favorable vs. prior year primarily due to higher residential and commercial sales
- ✓ Transmission Revenue: \$36M favorable vs. prior year primarily due to increased transmission investment at APCo, I&M and SWEPCO
- ✓ O&M: \$15M unfavorable (net of offsets) vs. prior year primarily due to increased plant outages, employee-related expense and storm costs, partially offset by the accounting reclassification of the Rockport Unit 2 lease
- ✓ Depreciation: \$73M unfavorable (net of offsets) vs. prior year primarily due to the accounting reclassification of the Rockport Unit 2 lease and higher depreciable property balance
- ✓ Income Taxes: actual rate of (6.3)% Q1-22 vs. 4.0% Q2-21

Vertically Integrated Utilities

YTD Summary

\$ in millions (except EPS)	YTD-21	YTD-22
Operating Revenues	\$ 4,798	\$ 5,336
Operating Expenses:		
Energy Costs	(1,509)	(1,704)
Operations and Maintenance	(1,444)	(1,549)
Depreciation and Amortization	(866)	(1,004)
Taxes Other Than Income Taxes	(252)	(254)
Operating Income	727	825
Net Interest/AFUDC	(255)	(278)
Non-Service Benefit Cost Components	34	55
Income Taxes	(9)	-
Other	-	(3)
Operating Earnings	497	599
Proforma Adjustments, Net of Tax	1	-
GAAP Earnings	\$ 498	\$ 599
EPS from Operating Earnings	\$ 1.00	\$ 1.18

See slide 19 for items excluded from Net Income to reconcile to Operating Earnings.

Key Drivers: YTD-22 vs. YTD-21

- ✓ Rate Changes: \$112M favorable vs. prior year primarily from rate increases at APCo, I&M, PSO and SWEPCO
- ✓ Weather: \$30M favorable vs. prior year; \$33M favorable vs. normal
- ✓ Normal Load: \$46M favorable vs. prior year primarily due to higher sales in all retail classes
- ✓ Off-System Sales: \$27M unfavorable vs. prior year primarily due to impacts of Storm Uri in February 2021
- ✓ Transmission Revenue: \$55M favorable vs. prior year primarily due to increased transmission investment at APCo, I&M and SWEPCO
- ✓ O&M: \$14M favorable (net of offsets) vs. prior year primarily due to the accounting reclassification of the Rockport Unit 2 lease, partially offset by increased plant outages, employee-related expense and storm costs
- ✓ Depreciation: \$142M unfavorable (net of offsets) vs. prior year primarily due to the accounting reclassification of the Rockport Unit 2 lease and higher depreciable property balance
- ✓ Income Taxes: actual rate of 0% YTD-22 vs. 1.8% YTD-21

Transmission and Distribution Utilities

2nd Quarter Summary

\$ in millions (except EPS)	Q2-21	Q2-22
Operating Revenues	\$ 1,103	\$ 1,302
Operating Expenses:		
Energy Costs	(168)	(253)
Operations and Maintenance	(361)	(441)
Depreciation and Amortization	(178)	(188)
Taxes Other Than Income Taxes	(158)	(164)
Operating Income	238	256
Net Interest/AFUDC	(70)	(73)
Non-Service Benefit Cost Components	7	12
Income Taxes	(21)	(31)
Other	-	1
Operating and GAAP Earnings	\$ 154	\$ 165
EPS from Operating Earnings	\$ 0.31	\$ 0.32

Key Drivers: Q2-22 vs. Q2-21

- ✓ Rate Changes: \$34M favorable vs. prior year primarily from the Texas DCRF, Ohio DIR and gridSMART
- ✓ Weather: \$17M favorable vs. prior year; \$13M favorable vs. normal
- ✓ Transmission Revenue: \$16M favorable vs. prior year primarily due to increased transmission investment in AEP Texas
- ✓ O&M: \$30M unfavorable (net of offsets) vs. prior year primarily due to higher distribution expenses and employee-related expenses
- ✓ Depreciation: \$10M unfavorable (net of offsets) vs. prior year primarily due to higher depreciable property balance
- ✓ Income Taxes: actual rate of 16.0% Q2-22 vs. 12.1% Q2-21

Transmission and Distribution Utilities

YTD Summary

\$ in millions (except EPS)	YTD-21	YTD-22
Operating Revenues	\$ 2,192	\$ 2,548
Operating Expenses:		
Energy Costs	(374)	(485)
Operations and Maintenance	(726)	(870)
Depreciation and Amortization	(351)	(371)
Taxes Other Than Income Taxes	(316)	(328)
Operating Income	425	494
Net Interest/AFUDC	(137)	(140)
Non-Service Benefit Cost Components	14	24
Income Taxes	(34)	(61)
Other	-	1
Operating and GAAP Earnings	\$ 268	\$ 318
EPS from Operating Earnings	\$ 0.54	\$ 0.62

Key Drivers: YTD-22 vs. YTD-21

- ✓ Rate Changes: \$63M favorable vs. prior year primarily from the Texas DCRF, Ohio DIR and gridSMART
- ✓ Weather: \$11M favorable vs. prior year; \$17M favorable vs. normal
- ✓ Normal Load: \$29M favorable vs. prior year primarily due to higher commercial and residential sales
- ✓ Transmission Revenue: \$42M favorable vs. prior year primarily due to increased transmission investment
- ✓ O&M: \$46M unfavorable (net of offsets) vs. prior year primarily due to higher distribution expenses and employee-related expenses
- ✓ Depreciation: \$24M unfavorable (net of offsets) vs. prior year primarily due to higher depreciable property balance
- ✓ Other Taxes: \$12M unfavorable vs. prior year primarily due to higher property taxes
- ✓ Income Taxes: actual rate of 16.1% YTD-22 vs. 11.4% YTD-21

AEP Transmission Holdco

2nd Quarter Summary

\$ in millions (except EPS)	Q2-21	Q2-22
Operating Revenues	\$ 378	\$ 379
Operating Expenses:		
Operations and Maintenance	(29)	(36)
Depreciation and Amortization	(75)	(88)
Taxes Other Than Income Taxes	(61)	(70)
Operating Income	213	185
Net Interest/AFUDC	(19)	(25)
Non-Service Benefit Cost Components	-	1
Income Taxes	(43)	(39)
Equity Earnings	19	21
Other	(1)	(1)
Operating and GAAP Earnings	\$ 169	\$ 142
EPS from Operating Earnings	\$ 0.34	\$ 0.27

Key Drivers: Q2-22 vs. Q2-21

- ✓ \$28M unfavorable Operating Income vs. prior year primarily due to the annual true-up, partially offset by the increased transmission investment
- ✓ Income Taxes: actual rate of 21.6% Q2-22 vs. 20.3% Q2-21

AEP Transmission Holdco

YTD Summary

\$ in millions (except EPS)	YTD-21	YTD-22
Operating Revenues	\$ 755	\$ 790
Operating Expenses:		
Operations and Maintenance	(56)	(68)
Depreciation and Amortization	(147)	(173)
Taxes Other Than Income Taxes	(121)	(137)
Operating Income	431	412
Net Interest/AFUDC	(37)	(49)
Non-Service Benefit Cost Components	1	3
Income Taxes	(89)	(90)
Equity Earnings	37	41
Other	(2)	(2)
Operating and GAAP Earnings	\$ 341	\$ 315
EPS from Operating Earnings	\$ 0.68	\$ 0.62

Key Drivers: YTD-22 vs. YTD-21

- ✓ \$19M unfavorable Operating Income vs. prior year primarily due to the annual true-up and higher property taxes, partially offset by the increased transmission investment
- ✓ Income Taxes: actual rate of 22.1% YTD-22 vs. 20.6% YTD-21

Generation & Marketing

2nd Quarter Summary

\$ in millions (except EPS)	Q2-21	Q2-22
Operating Revenues	\$ 427	\$ 614
Operating Expenses:		
Energy Costs	(358)	(520)
Operations and Maintenance	(32)	6
Depreciation and Amortization	(20)	(23)
Taxes Other Than Income Taxes	(3)	(3)
Operating Income	14	74
Net Interest/AFUDC	(3)	(2)
Non-Service Benefit Cost Components	4	5
Income Taxes	26	9
Other	4	5
Operating Earnings	45	91
Proforma Adjustments, Net of Tax	7	(18)
GAAP Earnings	\$ 52	\$ 73
EPS from Operating Earnings	\$ 0.09	\$ 0.18

Key Drivers: Q2-22 vs. Q2-21

- ✓ Renewables increased primarily due to sale of renewable development sites
- ✓ Generation increased 242 GWh or 30% Q2-22 vs. Q2-21 primarily due to fewer forced outages in Q2-22 and higher market prices in PJM which drove increased generation at Cardinal plant
- ✓ AEP Dayton ATC liquidations up 159%; \$77.06/MWh in Q2-22 vs. \$29.71/MWh in Q2-21
- ✓ Income Taxes: actual rate of (10.4)% Q2-22 vs. (193.5)% Q2-21

See slide 18 for items excluded from Net Income to reconcile to Operating Earnings.

Generation & Marketing

YTD Summary

\$ in millions (except EPS)	YTD-21	YTD-22
Operating Revenues	\$ 1,056	\$ 1,107
Operating Expenses:		
Energy Costs	(924)	(968)
Operations and Maintenance	(61)	(27)
Depreciation and Amortization	(39)	(46)
Taxes Other Than Income Taxes	(5)	(6)
Operating Income	27	60
Net Interest/AFUDC	(6)	(5)
Non-Service Benefit Cost Components	8	10
Income Taxes	42	42
Other	6	(1)
Operating Earnings	77	106
Proforma Adjustments, Net of Tax	12	81
GAAP Earnings	\$ 89	\$ 187
EPS from Operating Earnings	\$ 0.16	\$ 0.21


See slide 19 for items excluded from Net Income to reconcile to Operating Earnings.

Key Drivers: YTD-22 vs. YTD-21


- ✓ Renewables increased primarily due to sale of renewable development sites
- ✓ Generation decreased 70 GWh or 4% YTD-22 vs. YTD-21 primarily due to unplanned outages at Cardinal plant
- ✓ AEP Dayton ATC Liquidation up 109%: \$62.84/MWh in YTD-22 vs. \$30.01/MWh in YTD-21
- ✓ Wholesale increased primarily due to unfavorable ERCOT market prices and extreme usage levels in YTD-21 related to Storm Uri
- ✓ Income Taxes: actual rate of (65.4)% YTD-22 vs. (137.8)% YTD-21

2nd Quarter Rate Performance

Vertically Integrated Utilities


	Rate Changes, net of offsets (\$ in millions) Q2-22 vs. Q2-21
APCo/WPCo	\$12
I&M	\$(3)
KPCo	-
PSO	\$14
SWEPCO	\$24
Kingsport	-
Total	\$47
Impact on EPS	 \$0.07

Transmission and Distribution Utilities


	Rate Changes, net of offsets (\$ in millions) Q2-22 vs. Q2-21
AEP Ohio	\$23
AEP Texas	\$11
Total	\$34
Impact on EPS	 \$0.05

YTD Rate Performance

Vertically Integrated Utilities



	Rate Changes, net of offsets (\$ in millions) YTD-22 vs. YTD-21
APCo/WPCo	\$27
I&M	\$23
KPCo	\$3
PSO	\$24
SWEPCO	\$35
Kingsport	-
Total	\$112
Impact on EPS	 \$0.18

Transmission and Distribution Utilities



	Rate Changes, net of offsets (\$ in millions) YTD-22 vs. YTD-21
AEP Ohio	\$44
AEP Texas	\$19
Total	\$63
Impact on EPS	 \$0.10

2nd Quarter Weather Impact

Vertically Integrated Utilities



	Weather Impact (\$ in millions)	
	Q2-22 vs. Q2-21	Q2-22 vs. Normal
APCo/WPCo	\$1	\$4
I&M	\$1	\$8
KPCo	\$1	\$1
PSO	\$10	\$7
SWEPCO	\$19	\$18
Kingsport	-	-
Total	\$32	\$38
Impact on EPS		

Transmission and Distribution Utilities



	Weather Impact (\$ in millions)	
	Q2-22 vs. Q2-21	Q2-22 vs. Normal
AEP Ohio	\$5	\$5
AEP Texas	\$12	\$8
Total	\$17	\$13
Impact on EPS		

YTD Weather Impact

Vertically Integrated Utilities


	Weather Impact (\$ in millions)	
	YTD-22 vs. YTD-21	YTD-22 vs. Normal
APCo/WPCo	-	\$(1)
I&M	\$5	\$10
KPCo	-	-
PSO	\$10	\$7
SWEPCO	\$15	\$17
Kingsport	-	-
Total	\$30	\$33
Impact on EPS	 \$0.04	 \$0.05

Transmission and Distribution Utilities


	Weather Impact (\$ in millions)	
	YTD-22 vs. YTD-21	YTD-22 vs. Normal
AEP Ohio	\$4	\$4
AEP Texas	\$7	\$13
Total	\$11	\$17
Impact on EPS	 \$0.02	 \$0.03

2nd Quarter Retail Load Performance

Vertically Integrated Utilities

	Retail Load ¹ (weather normalized) Q2-22 vs. Q2-21
APCo/WPCo	0.3%
I&M	1.4%
KPCo	3.8%
PSO	2.5%
SWEPCO	4.4%
Kingsport	16.2%
Total	2.2%
Impact on EPS ²	 \$0.02

Transmission and Distribution Utilities


	Retail Load ¹ (weather normalized) Q2-22 vs. Q2-21
AEP Ohio	3.0%
AEP Texas	7.3%
Total	4.9%
Impact on EPS ²	 \$0.01

¹ Includes load on a billed basis only, excludes firm wholesale load and accrued sales.


² Includes EPS impact of accrued revenues.

YTD Retail Load Performance

Vertically Integrated Utilities

	Retail Load ¹ (weather normalized) YTD-22 vs. YTD-21
APCo/WPCo	0.3%
I&M	0.8%
KPCo	3.4%
PSO	2.4%
SWEPCO	2.5%
Kingsport	16.4%
Total	1.7%
Impact on EPS ²	 \$0.07

Transmission and Distribution Utilities

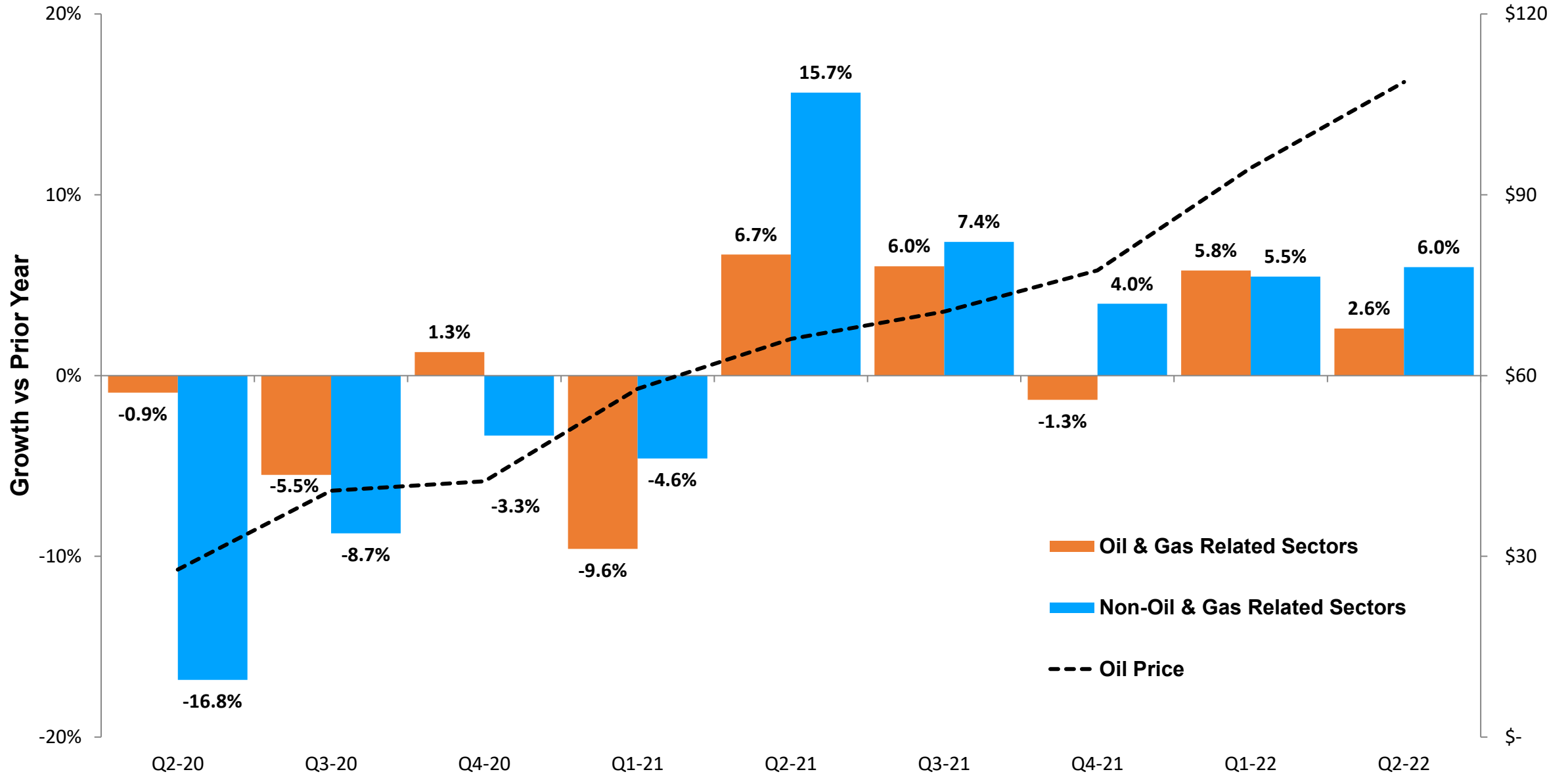
	Retail Load ¹ (weather normalized) YTD-22 vs. YTD-21
AEP Ohio	2.6%
AEP Texas	9.5%
Total	5.4%
Impact on EPS ²	 \$0.04

¹ Includes load on a billed basis only, excludes firm wholesale load and accrued sales.

² Includes EPS impact of accrued revenues.

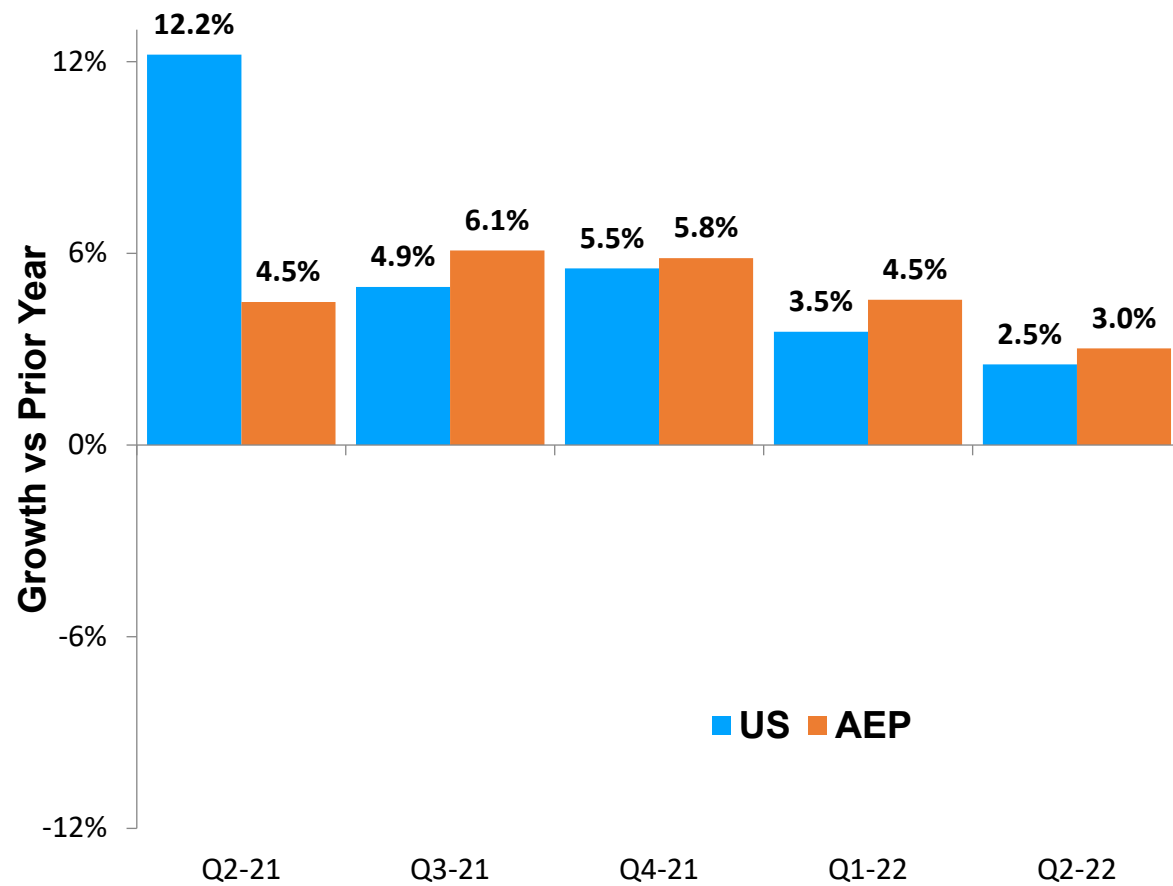
Industrial Sales Growth

AEP Industrial GWh Growth

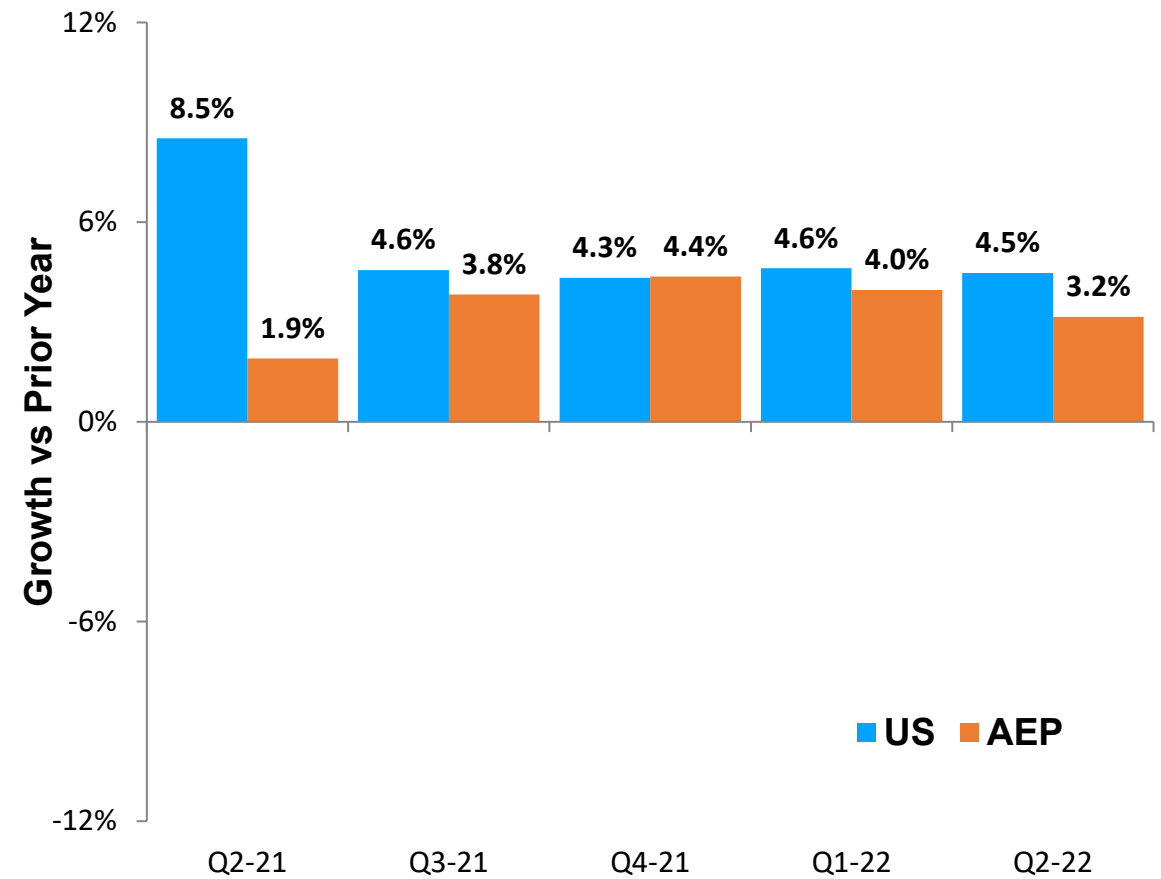


Economic Data – AEP Service Territory

GDP Growth by Quarter



Employment Growth by Quarter



Source: Moody's Analytics

GAAP to Non-GAAP Reconciliations and Ratios

Adjusted FFO Calculation

	12 Months Ended 6/30/2022
	(in millions)
Cash Flow from Operations	\$ 5,787
Adjustments:	
Changes in Working Capital	(513)
Capitalized Interest	(52)
Securitization Amortization	(93)
Adjusted Funds from Operations (FFO)	\$ 5,129

Adjusted Total Debt Calculation

	As of 6/30/2022
	(in millions)
GAAP Total Debt (incl. current maturities)	\$ 38,693
Less:	
Securitization Bonds	(554)
Spent Nuclear Fuel Trust	(282)
Equity Units Capital Adjust (25%)	(212)
Junior Subordinated Debentures (25%)	(188)
Add:	
Finance Lease Obligations	411
Operating Leases	645
Adjusted Total Debt (Non-GAAP)	\$ 38,513

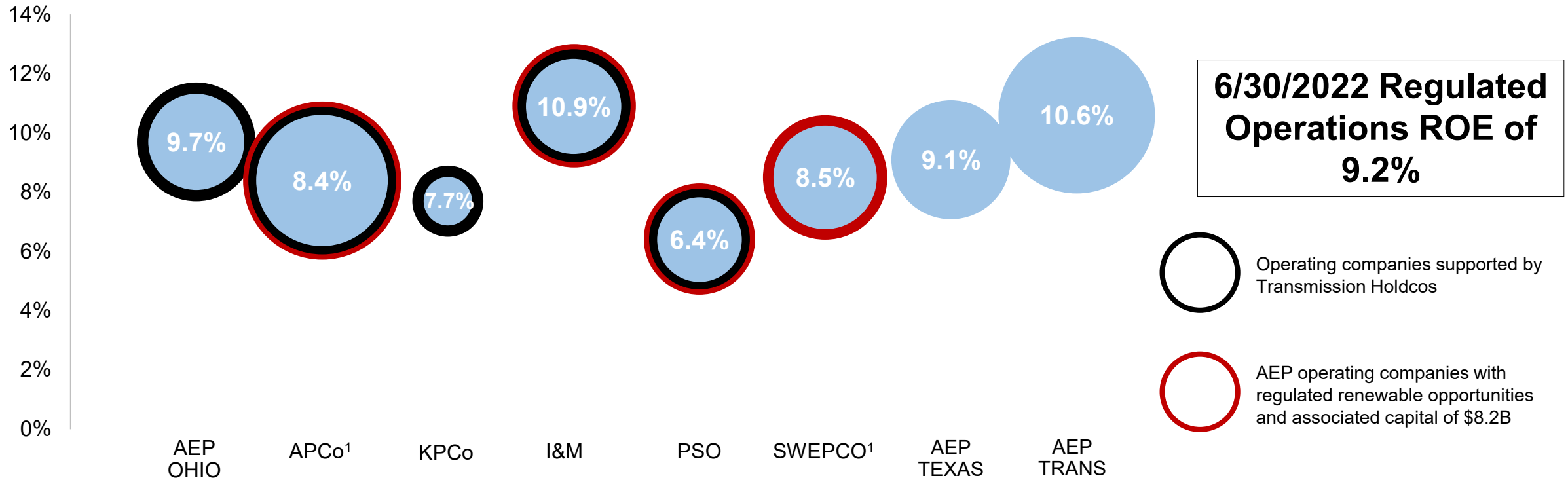
FFO to Total Debt Ratio

$$\frac{\text{Adjusted Funds from Operations (FFO)}}{\text{Adjusted Total Debt (Non-GAAP)}} = \frac{\$ 5,129}{\$ 38,513} = 13.3\%$$

APPENDIX – REGULATORY AND RENEWABLES

Regulated Returns and Authorized Equity Layers

Twelve Months Ended 6/30/2022 Earned ROE's
(non-GAAP operating earnings, not weather normalized)



Sphere size based on each company's relative equity balance

Authorized Equity Layers (in whole percentages)

Operating Company	6/30/2018	6/30/2022	Improvement
AEP Ohio	48%	54%	6%
APCo – VA	43%	50%	7%
APCo – WV	47%	50%	3%
I&M – Indiana	47%	50%	3%
PSO	49%	53%	4%
SWEPCO – LA ²	47%	51%	4%
AEP Texas	40%	43%	3%
AEP Transmission – West	50%	55%	5%

**Improving
Authorized Equity Layers
Over Time**

¹ Base rate cases pending/order recently received.

² 6/30/2022 data represents equity layers in recent base rate cases.

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> ¹	
Order Received	11/24/2020
Effective Date	1/23/2021
ROE	9.2%
Cap Structure	50%D / 50%E
Gross Revenue Increase	\$0M (Less \$25.5M D&A)
Net Revenue Decrease	\$25.5M

¹ APCo immediately filed an appeal of the commission order with the Virginia Supreme Court after the November 2020 order. Oral arguments were held on 3/1/2022 and a result is expected during the year.



SWEPCO – Arkansas²

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

² This filing provided notice of re-election for rate regulation under a formula rate review mechanism.



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 ³
<u>Procedural Schedule</u>	
Hearing	Note 4
Expected Commission Order	Second Half 2022

³ Includes proposed pro-forma adjustment to plant in-service through 12/31/2020.

⁴ In January 2022, an unopposed motion was filed to stay the hearing as the parties engage in settlement discussions.



Current Regulated Renewables Opportunity

 Wind Additions				 Solar Additions			
Company	2022-2030 (MW)	Included in 2022-2026 Capital Plan (MW / billions)		Company	2022-2030 (MW)	Included in 2022-2026 Capital Plan (MW / billions)	
APCo	1,154	803	\$ 1.3	APCo	759	292	\$ 0.5
I&M	800	400	\$ 0.6	I&M	1,300	195	\$ 0.4
PSO ¹	3,254	1,604	\$ 2.1	PSO	2,100	461	\$ 0.6
SWEPCO ¹	2,994	1,845	\$ 2.5	SWEPCO	2,600	200	\$ 0.2
Total¹	8,202	4,652	\$ 6.5	Total	6,759	1,148	\$ 1.7

Total Renewables¹

2022-2030	Included in 2022-2026 Capital Plan ²	
15 GW	5.8 GW	\$ 8.2B

Investment opportunity is dynamic and AEP operating companies will continue to develop IRPs over the near and long-term in collaboration with stakeholders

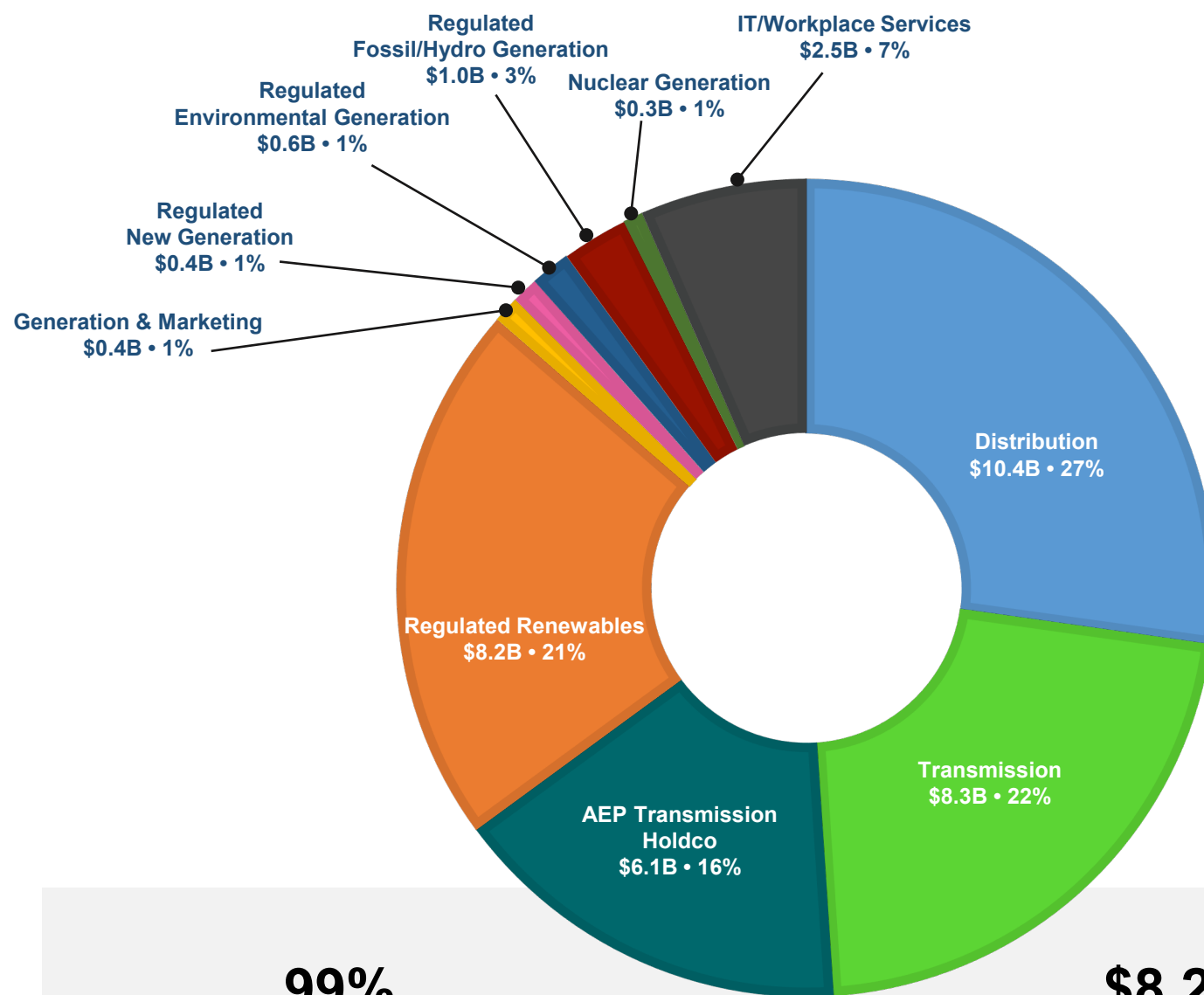
Note: Projected regulated resource additions current as of 6/30/2022. Resource plans also currently project ~1.5 GW of natural gas additions (I&M and SWEPCO) and 210 MW of storage (APCo and I&M) through 2030.

¹ Includes 998 MW / \$1.3B investment in NCW – Traverse project placed in service on 3/18/2022.

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

APPENDIX – FINANCIAL

2022-2026 Capital Forecast of \$38B



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

99%
of capital allocated to regulated businesses

\$24.8B / 65%
allocated to wires

\$8.2B / 21%
allocated to regulated renewables

Capital forecast emphasizes investment in wires and renewables

2022-2026 Cash Flows and Financial Metrics

Cash proceeds related to sale of contracted renewable assets within the unregulated business are not included below.

\$ in millions	2022E	2023E	2024E	2025E	2026E
Cash from Operations	\$ 5,600	\$ 6,100	\$ 6,400	\$ 6,900	\$ 7,400
Net Cash Proceeds from Sale of Kentucky Operations ¹	1,400	-	-	-	-
Capital and JV Equity Contributions ²	(7,600)	(7,100)	(8,400)	(7,800)	(7,400)
Other Investing Activities	(300)	(400)	(400)	(400)	(400)
Common Dividends ³	(1,600)	(1,600)	(1,700)	(1,700)	(1,700)
Required Capital	\$ (2,500)	\$ (3,000)	\$ (4,100)	\$ (3,000)	\$ (2,100)
Financing					
Required Capital	\$ (2,500)	\$ (3,000)	\$ (4,100)	\$ (3,000)	\$ (2,100)
Debt Maturities (Senior Notes, PCRBs)	(3,000)	(2,400)	(500)	(1,800)	(1,400)
Securitization Amortizations	(100)	(200)	(200)	(100)	(100)
Equity Units Conversion	805	850	-	-	-
Equity Issuances – Includes DRP	-	100	600	700	700
Debt Capital Market Needs (New)	\$ (4,795)	\$ (4,650)	\$ (4,200)	\$ (4,200)	\$ (2,900)
Financial Metrics					
Debt to Capitalization (GAAP)	Approximately 60%				
FFO/Total Debt (Moody's)	14.0%-15.0% Range				

¹ Cash proceeds to Parent of \$1.4B 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 NCW – Traverse project.

³ Common dividends increased to \$0.78 per share Q4-21; \$3.12/share 2022-2026 (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.

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

Contracted Renewable Assets

In February 2022, AEP announced the sale of its contracted renewable asset portfolio within the unregulated business. The portfolio is made up of the following projects:

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
Flat Ridge II	Kansas	Wind	December 2012	235
Auwahi	Hawaii	Wind / Battery	December 2012	17
Flat Ridge III	Kansas	Wind	December 2021	128
Total MW Announced in February 2022				1,600
Less Flat Ridge II ²				(235)
Total MW				1,365

¹ Commercial operation date represents repower completion date.

² AEP excluded Flat Ridge II from the contracted renewables asset portfolio. AEP is currently in discussions with an interested party for the sale of Flat Ridge II and expects to close on this transaction following FERC approval in the second half of 2022. By selling Flat Ridge II separately, AEP avoids the risk associated with the construction phase of repowering and simplifies the sales process of the contracted renewables asset portfolio.