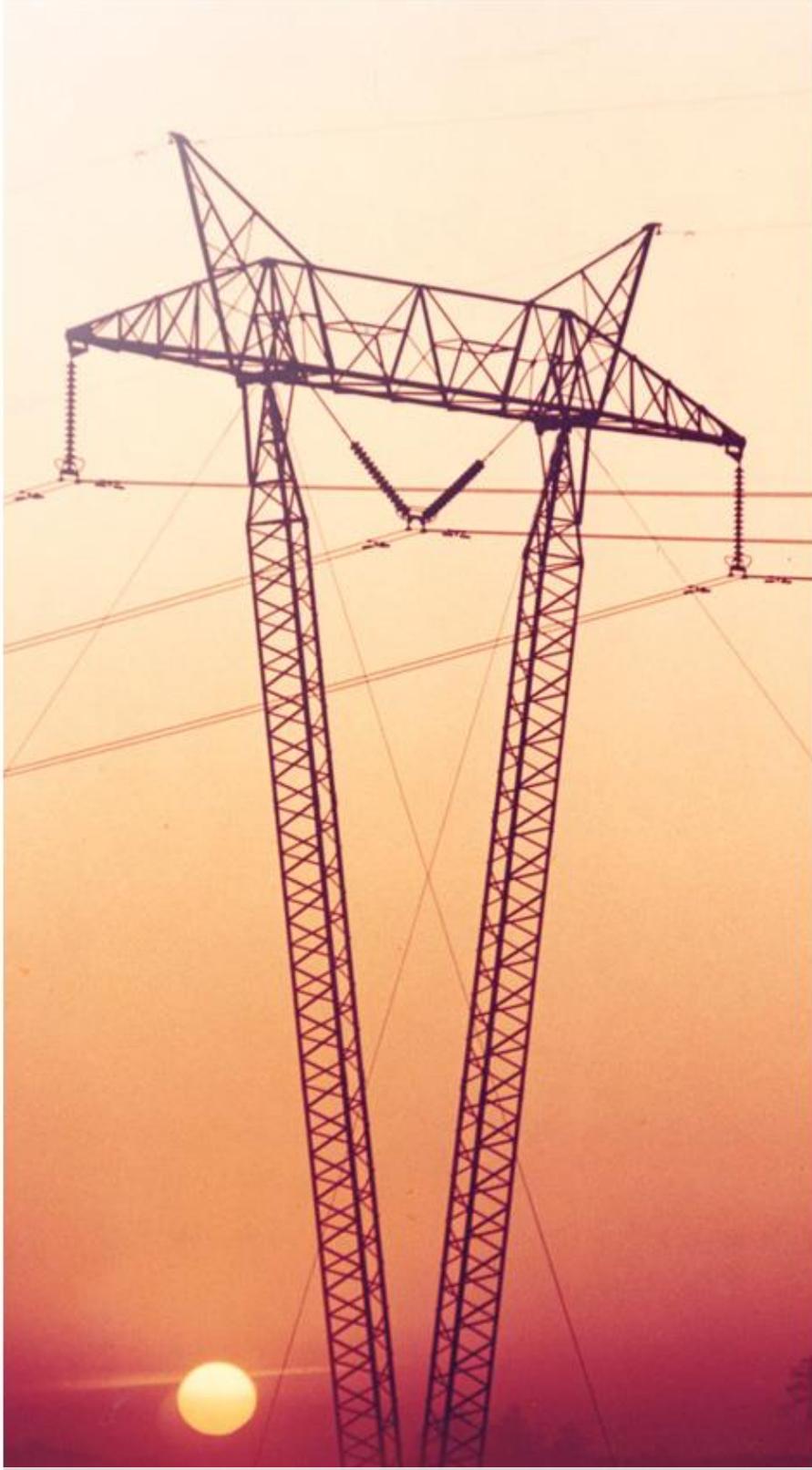




BOUNDLESS ENERGYSM



Evercore ISI Utility CEO Retreat

January 13, 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 vaccination or testing mandates to AEP, electricity usage, employees including employee unwillingness to comply with potential vaccination mandates, 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, 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, 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.

Darcy Reese, Vice President

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

Tom Scott, Director

Investor Relations
614-716-2686
twscott@aep.com

Pure Play Regulated Utility

16,700 EMPLOYEES

25GW OWNED GENERATION

5.5M CUSTOMERS, 11 STATES

\$86B TOTAL ASSETS

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

224,000 DISTRIBUTION MILES

\$50B RATE BASE

\$46B CURRENT MARKET CAPITALIZATION

Statistics as of September 30, 2021 except for rate base as of December 31, 2020 and market capitalization as of January 10, 2022

AEP's Strategic Vision and Execution

Execute Strategy

Affordable

Relentless pursuit of affordable energy solutions

Customer and Community Centric Growth

Aggressively expand investments and service offerings

Clean

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

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

Engage

Equip our workforce and improve our employee experience

Top Priorities

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

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

- 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

- Achieve 5%-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

- Achieve Zero Harm
- Be a great place to work

AEP KEY THEMES

- **Strong Return Proposition with Proven Track Record of EPS Performance and Dividend Growth**
- **Commitment to ESG**
- **Generation Transformation**
- **Flexible Capital Investment Pipeline**
- **Dedication to Customer Affordability and Credit Rating**



Strong Return Proposition

Total Shareholder Return

8% - 10%

Dividend Yield
3%

+

EPS Growth
5% - 7%

2022 Operating Earnings Guidance Range

\$4.85 - \$5.05

2021 EPS
Original
Midpoint
\$4.65

+

6% EPS
Growth

+

KY Sale
Accretion

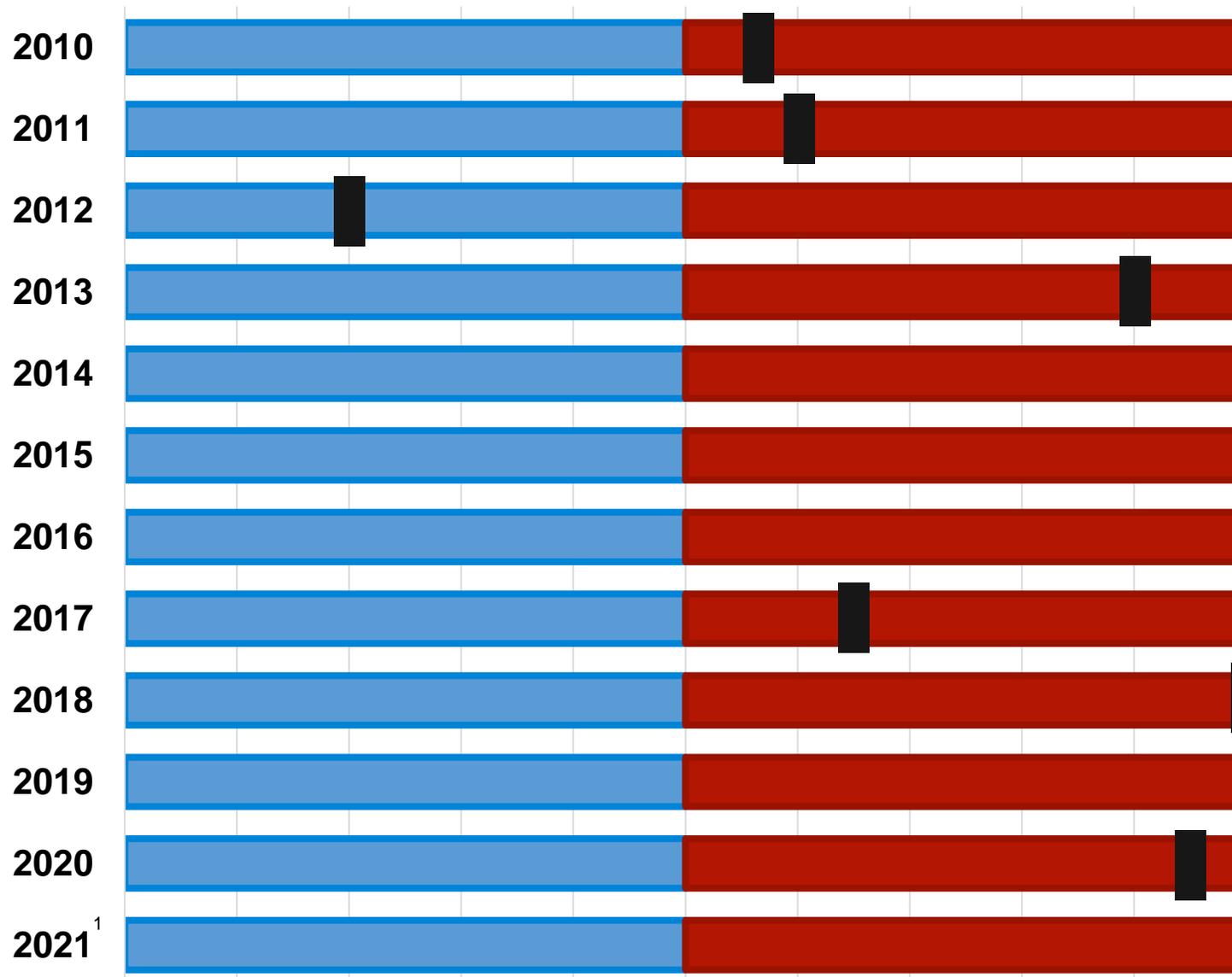
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2022 EPS
Midpoint
\$4.95

- ✓ Steady Growth
- ✓ Consistent Dividends
- ✓ Low Risk, Regulated Assets
- ✓ Investment Pipeline
- ✓ Incentive Compensation Tied to EPS Results

Regulated Renewables Opportunity
Complements Wires Buildout, Significantly
Extending 5%-7% Runway of Growth

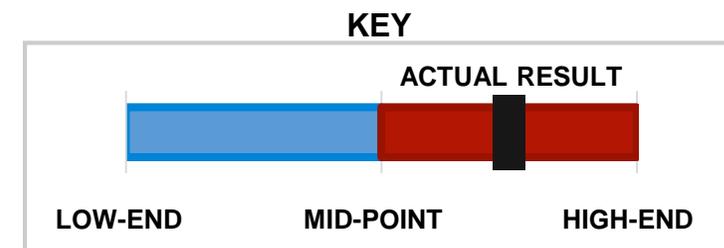
Proven Track Record of EPS Performance



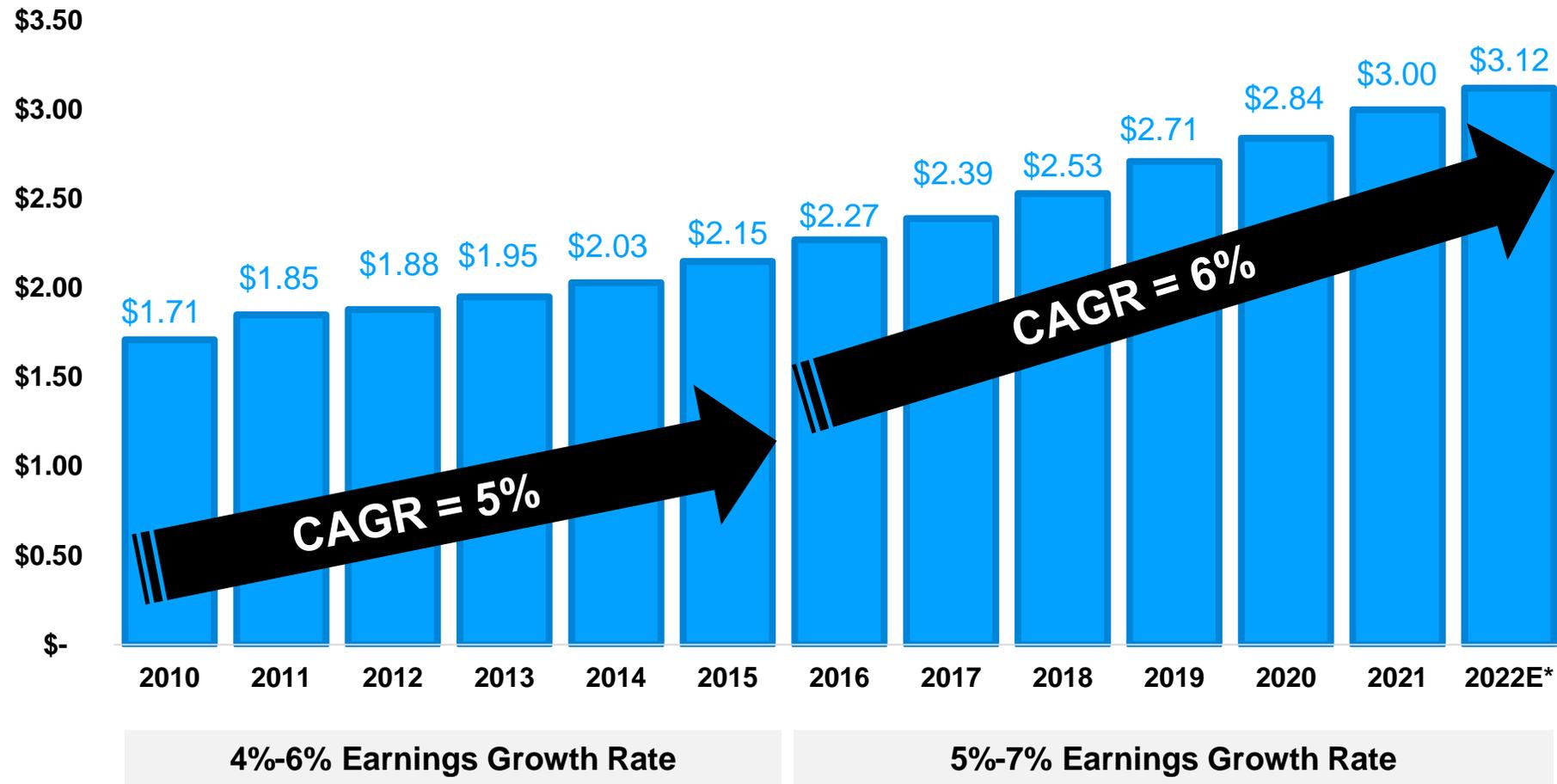
Over a Decade of Meeting or Exceeding Original EPS Guidance

Note: Chart is representative of actual operating EPS in comparison to original operating EPS guidance range.

¹ 2021 original operating EPS guidance was \$4.55-\$4.75. In October 2021, guidance was narrowed to \$4.65-\$4.75, raising the midpoint to \$4.70.



Strong Dividend Growth



- ✓ Targeted payout ratio 60-70% of operating earnings
- ✓ Over 111 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

Commitment to ESG

Environmental

- Accelerated carbon emission reduction goals: 80% by 2030, net zero by 2050
- ~\$9B spent on environmental controls since 2000
- 47% reduction in coal capacity as a percent of total capacity by 2030
- 2020 coal capacity = 14% of rate base
- 2020 coal revenue = 13% of total revenue
- Clean energy transition tied to long-term incentive compensation

80% reduction by 2030
Net-Zero by 2050



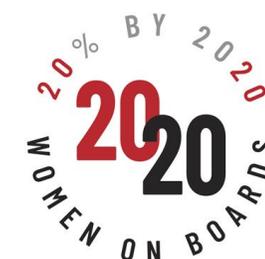
Social

- Diversity and inclusion vision
- Focused on economic and business development in our service territories
- Donated ~\$39M in 2020 to support more than 1,200 community organizations
- Launched a \$5M Delivering on the Dream: Social and Racial Justice grant program in 2021
- Zero Harm



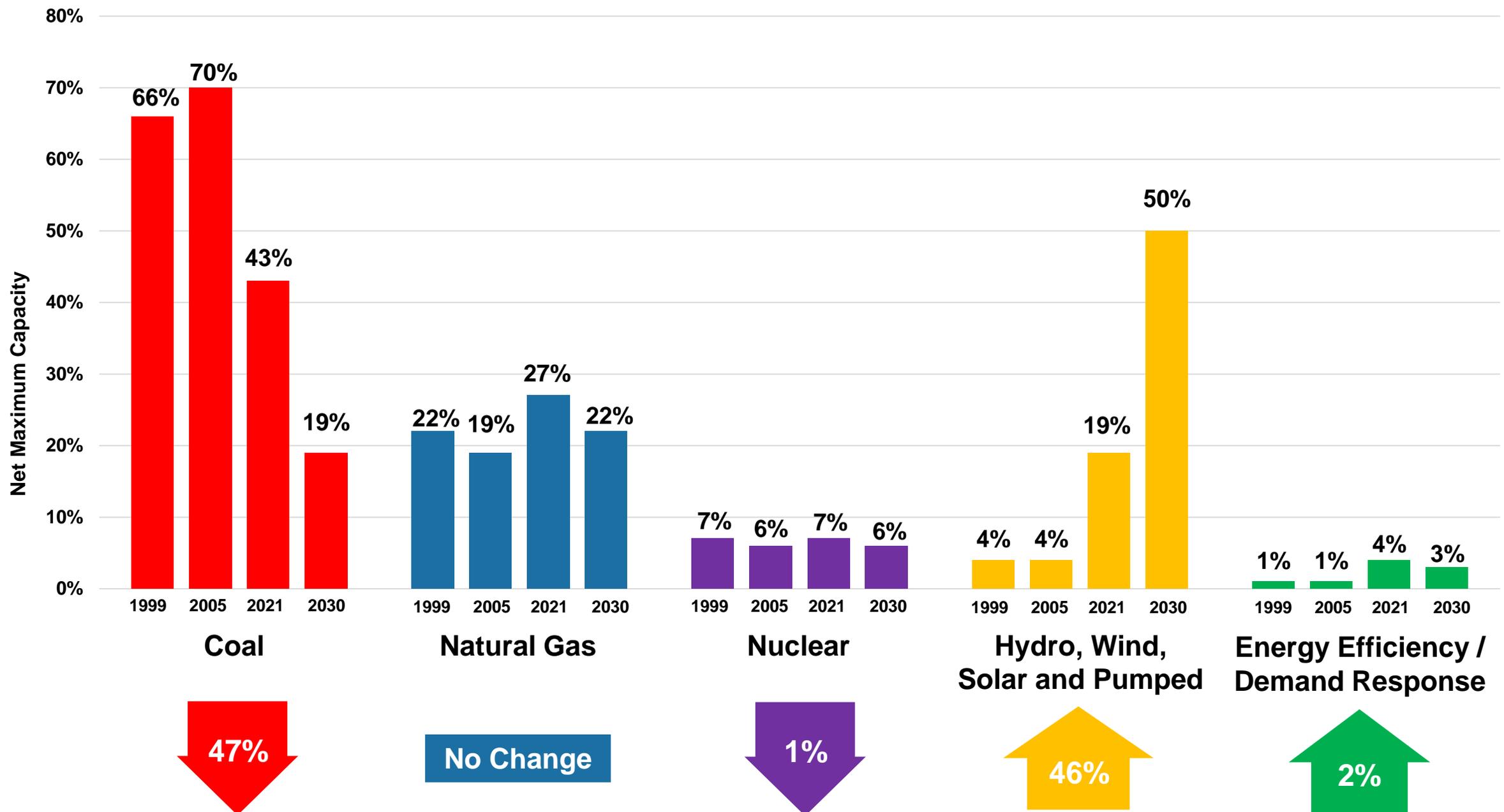
Governance

- 12 Board of Directors, 11 independent
- 50% Board diversity
- Average Board tenure of 9 years
- Annual shareholder engagement on strategy and ESG matters with lead independent director participation
- Environmental reports provided at every Board meeting



Note: See "Environmental, Social and Governance" section for further information

Transforming Our Generation Fleet



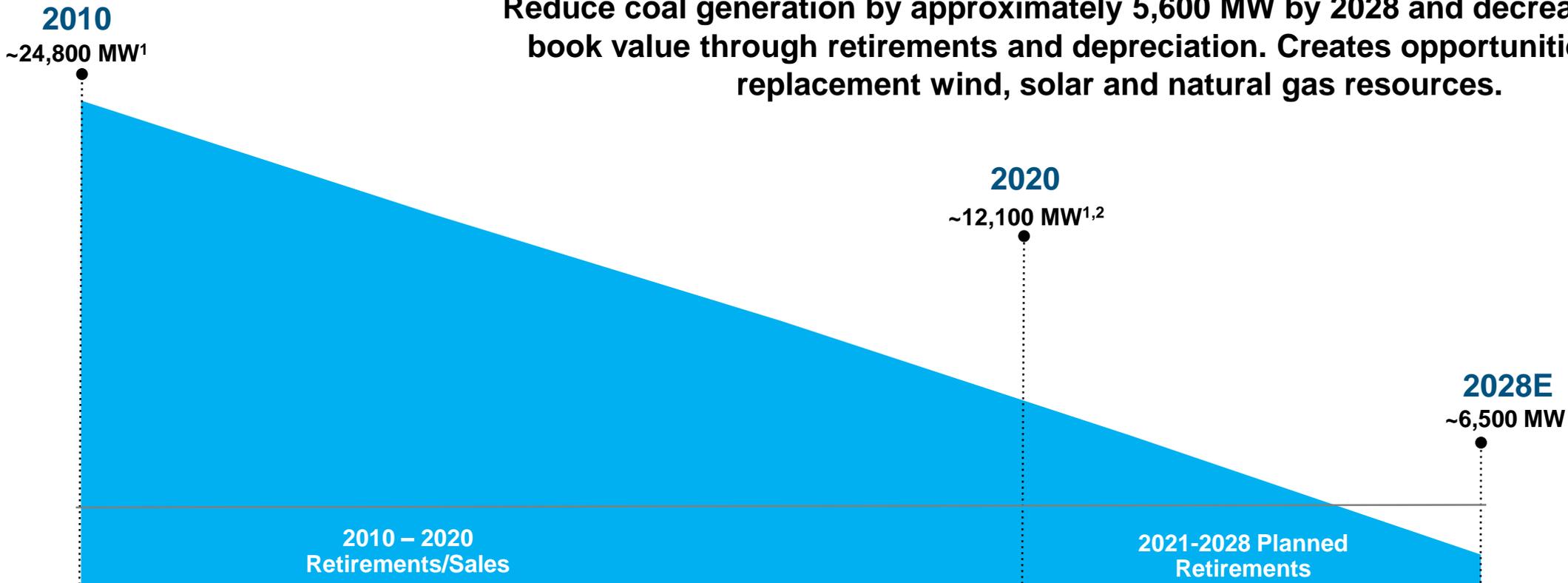
Capacity includes both owned and PPA generation. Energy Efficiency / Demand Response represents avoided capacity rather than physical assets.

2021 data as of 11/1/2021 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 Q2-22 pending regulatory approvals. 2030 includes forecasted additions and retirements, and excludes previously identified projected resource additions for KPCo.

2030 coal capacity includes Amos, Mountaineer and Mitchell plants as the WVPSC approved ELG investment to keep optionality for these plants to operate post 2028. 2030 coal capacity also includes SWEPCO's Turk and Flint Creek plants.

Retirement Progress and Plans

Reduce coal generation by approximately 5,600 MW by 2028 and decrease coal net book value through retirements and depreciation. Creates opportunities to own replacement wind, solar and natural gas resources.



Year	Plant	Capacity	Year	Plant	Capacity	Year	Plant	Capacity
2011	Sporn 5	450 MW	2015	Tanners Creek 1-4	995 MW	2021	Dolet Hills	257 MW
2012	Conesville 3	165 MW	2016	Big Sandy 1	278 MW	2023	Pirkey	580 MW
2014	Beckjord	53 MW	2016	Clinch River 1 & 2	470 MW	2026	Northeastern 3	469 MW
2015	Big Sandy 2	800 MW	2016	Northeastern 4	470 MW	2028	Rockport 1	1,310 MW
2015	Clinch River 3	235 MW	2016	Welsh 2	528 MW	2028	Rockport 2	1,310 MW
2015	Glen Lyn 5 & 6	335 MW	2017	Gavin 1 & 2	2,640 MW	2028	Welsh	1,053 MW
2015	Kammer 1-3	630 MW	2017	Zimmer	330 MW	2028	Cardinal 1	595 MW
2015	Kanawha River 1 & 2	400 MW	2018	Stuart 1-4	600 MW			
2015	Muskingum River 1-5	1,440 MW	2019	Conesville 5 & 6	820 MW			
2015	Picway 5	100 MW	2020	Conesville 4	651 MW			
2015	Sporn 1-4	600 MW	2020	Oklaunion	460 MW			

¹ Total includes owned coal units and the Rockport 2 lease

² Includes 2012 Turk Plant addition

Executing on Our Regulated Renewables Opportunity

Wind Additions			
Company	2022-2030 (MW)	Included in 2022-2026 Capital Plan (MW / billions)	
APCo	1,800	803	\$ 1.3
I&M	800	400	\$ 0.4
PSO ¹	3,053	1,604	\$ 2.1
SWEPCO ¹	3,546	1,845	\$ 2.5
Total¹	9,199	4,652	\$ 6.3

<p>~0.5 GW</p> <p>North Central Wind In-Service in 2021</p>	+	<p>~15 GW</p> <p>2022-2030</p>	=	<p>~16 GW</p> <p>Regulated Renewable Opportunity by 2030</p>
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Solar Additions			
Company	2022-2030 (MW)	Included in 2022-2026 Capital Plan (MW / billions)	
APCo	660	292	\$ 0.5
I&M	900	195	\$ 0.6
PSO	3,600	461	\$ 0.6
SWEPCO	300	200	\$ 0.2
Total	5,460	1,148	\$ 1.9

Total Renewables	14,659 MW	5,800 MW	\$ 8.2B
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We are executing on our regulated renewables plan, introducing

\$8.2B^{1,2}

into the 2022-2026 capital investment forecast

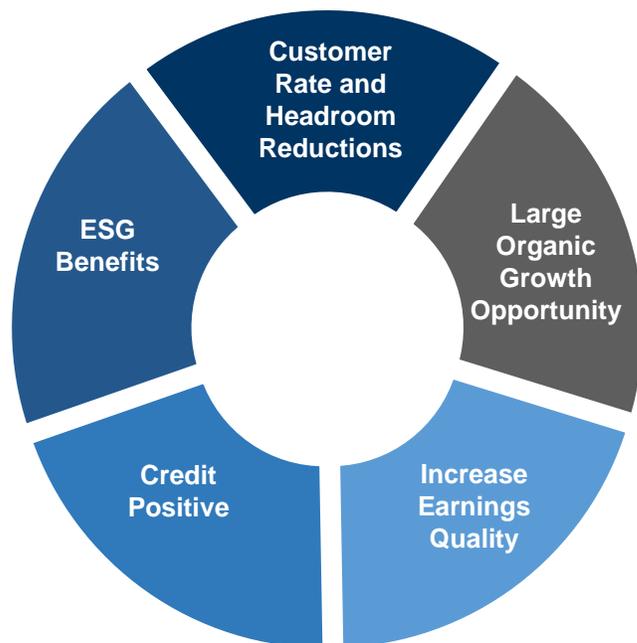
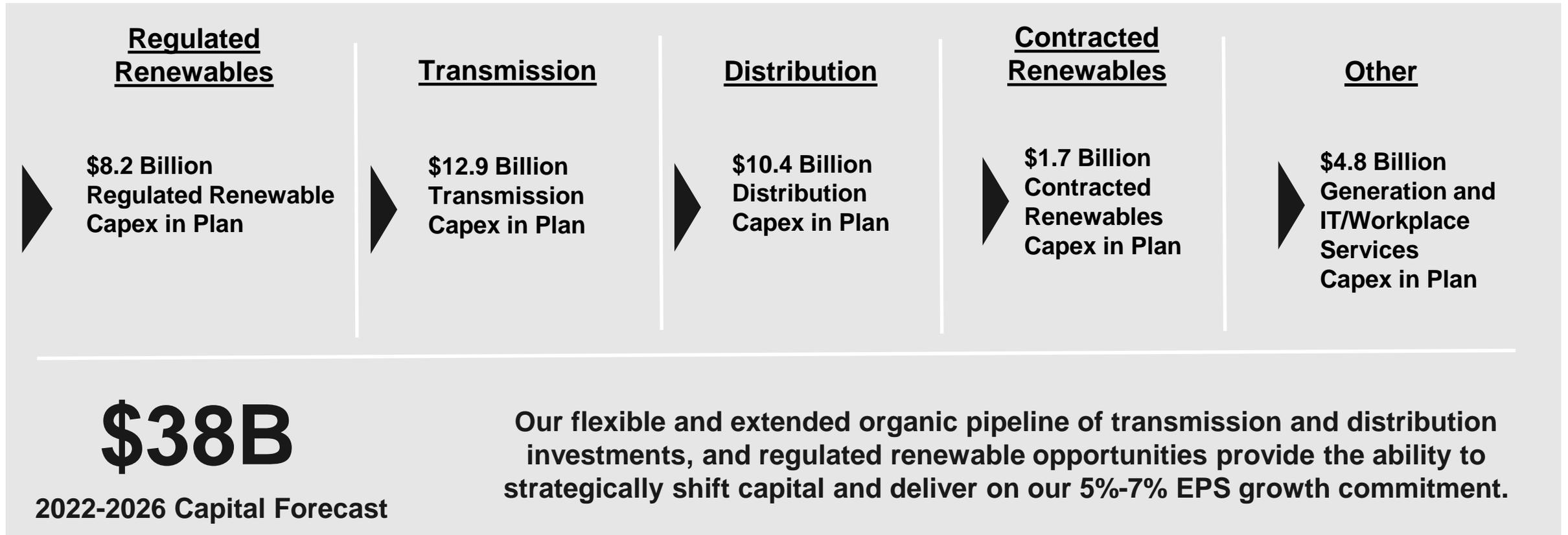
Investment opportunity is dynamic and AEP operating companies will continue to develop IRPs over the near and long-term in collaboration with stakeholders.

Note: Projected regulated resource additions current as of 9/30/2021. Resource plans also project 2.3 GW of natural gas additions through 2030 (1 GW I&M / 0.3 GW PSO / 1 GW SWEPCO).

¹ Includes 999 MW / \$1.3B investment in North Central Wind Traverse project

² Investments in renewables will be subject to regulatory approvals

Flexible Capital Investment Pipeline



Responsible Management of Capital Investments

Largest transmission system in the U.S.

Among the largest distribution systems in the U.S.

Dedicated to Keeping Customer Rates Affordable



Current



Customer Total Bill Transformation

- ✓ Significant fuel costs replaced with capital investment
- ✓ Reduced fixed O&M profiles of generation resource
 - ✓ Tax credits passed back to customers
- ✓ Facilitating electrification reducing total customer costs
 - ✓ Economic development to spread costs

Future

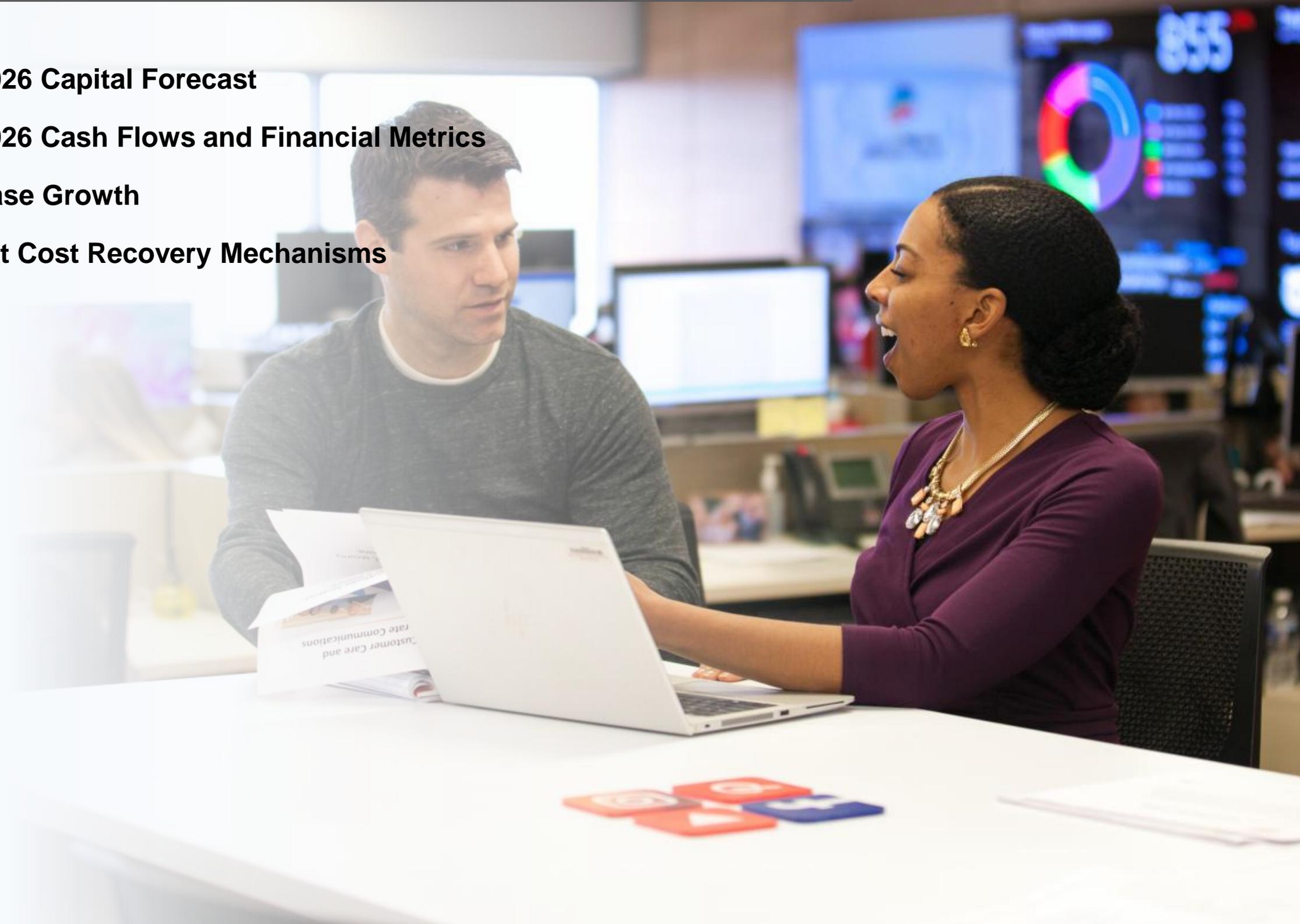


AEP's efforts will transform customer bills and control while keeping rates affordable and maintaining reliable service for customers

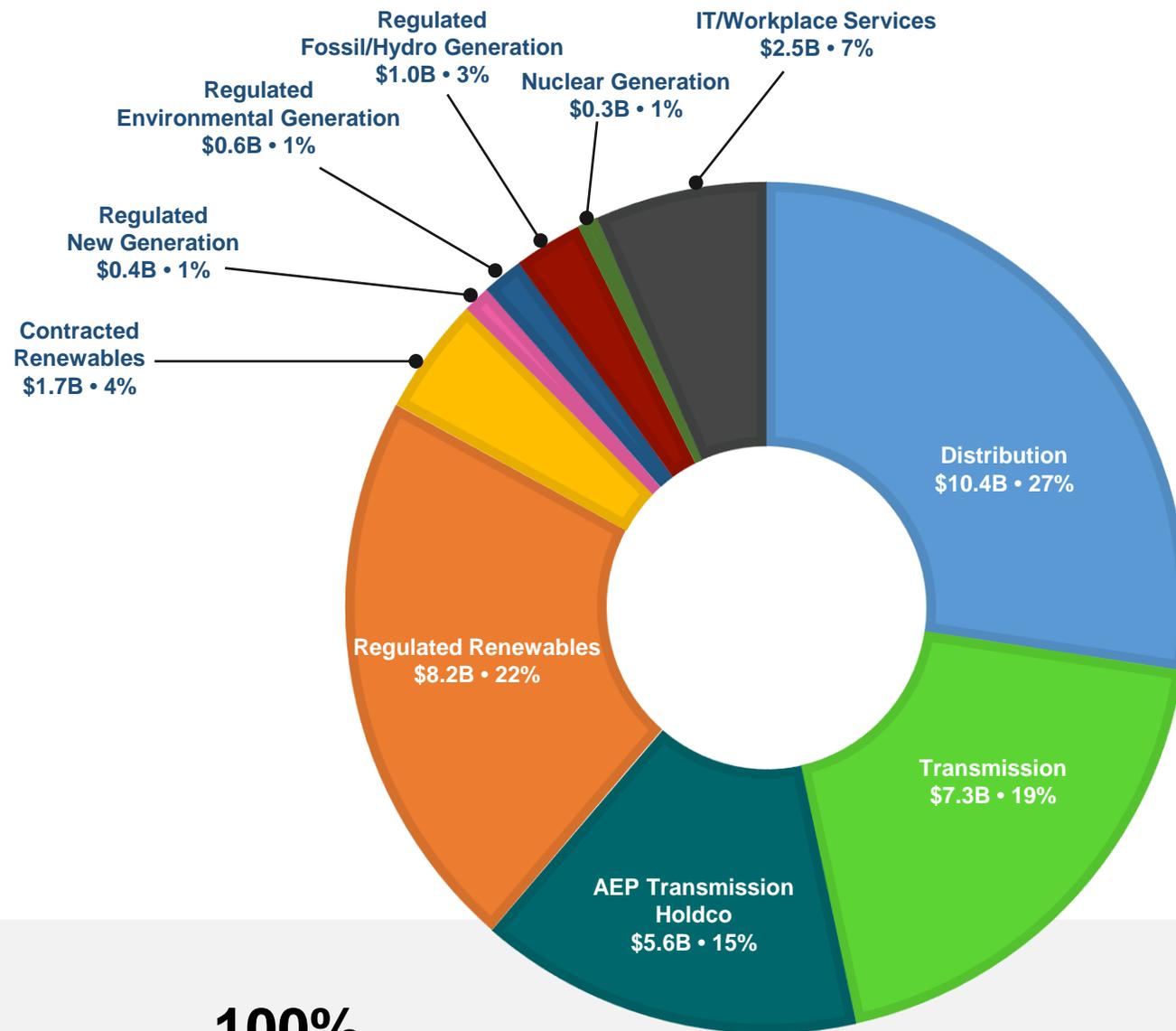
Note: On a system average, rates expected to go up approximately 4% annually over the forecasted period (a 1% decline from previous estimates).

POSITIONING FOR THE FUTURE

- **2022-2026 Capital Forecast**
- **2022-2026 Cash Flows and Financial Metrics**
- **Rate Base Growth**
- **Efficient Cost Recovery Mechanisms**



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

100%

of capital allocated to regulated businesses and contracted renewables

\$23.3B / 61%
allocated to wires

\$9.9B / 26%
allocated to renewables

Capital forecast emphasizes investment in wires and renewables with balance sheet focus

2022-2026 Capital Forecast by Subsidiary

\$ in millions, excludes AFUDC	2022E	2023E	2024E	2025E	2026E	Total
Appalachian Power Company	\$ 1,093	\$ 1,767	\$ 943	\$ 1,899	\$ 993	\$ 6,695
Wheeling Power Company	\$ 63	\$ 63	\$ 29	\$ 30	\$ 34	\$ 219
Kingsport Power Company	\$ 25	\$ 37	\$ 35	\$ 36	\$ 35	\$ 168
Indiana Michigan Power Company	\$ 608	\$ 537	\$ 694	\$ 989	\$ 1,006	\$ 3,834
AEP Ohio	\$ 787	\$ 849	\$ 800	\$ 738	\$ 673	\$ 3,847
Public Service Company of Oklahoma	\$ 977	\$ 487	\$ 1,413	\$ 1,069	\$ 927	\$ 4,873
Southwestern Electric Power Company	\$ 1,187	\$ 534	\$ 1,743	\$ 453	\$ 1,116	\$ 5,033
AEP Texas Company	\$ 1,151	\$ 1,181	\$ 1,190	\$ 1,153	\$ 1,119	\$ 5,794
AEP Generating Company	\$ 74	\$ 23	\$ 7	\$ 18	\$ 12	\$ 134
AEP Transmission Holdco	\$ 1,345	\$ 1,163	\$ 1,096	\$ 1,023	\$ 996	\$ 5,623
Generation & Marketing	\$ 397	\$ 323	\$ 330	\$ 276	\$ 339	\$1,665
Other	\$ 38	\$ 36	\$ 33	\$ 19	\$ 19	\$ 145
Total Capital and Equity Contributions	\$ 7,745	\$ 7,000	\$ 8,313	\$ 7,703	\$ 7,269	\$ 38,030

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

2022-2026 Cash Flows and Financial Metrics

\$ in millions	2022E	2023E	2024E	2025E	2026E
Cash from Operations	\$ 5,700	\$ 6,000	\$ 6,500	\$ 6,900	\$ 7,400
Net Cash Proceeds from Sale of Kentucky Operations ¹	1,400	-	-	-	-
Capital and JV Equity Contributions ²	(7,800)	(7,000)	(8,300)	(7,700)	(7,300)
Other Investing Activities	(200)	(400)	(400)	(400)	(400)
Common Dividends ³	(1,600)	(1,600)	(1,700)	(1,700)	(1,700)
Required Capital	\$ (2,500)	\$ (3,000)	\$ (3,900)	\$ (2,900)	\$ (2,000)
Financing					
Required Capital	\$ (2,500)	\$ (3,000)	\$ (3,900)	\$ (2,900)	\$ (2,000)
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)	\$ (4,000)	\$ (4,100)	\$ (2,800)
Financial Metrics					
Debt to Capitalization (GAAP)	Approximately 60%				
FFO/Total Debt (Moody's)	13.5% - 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.

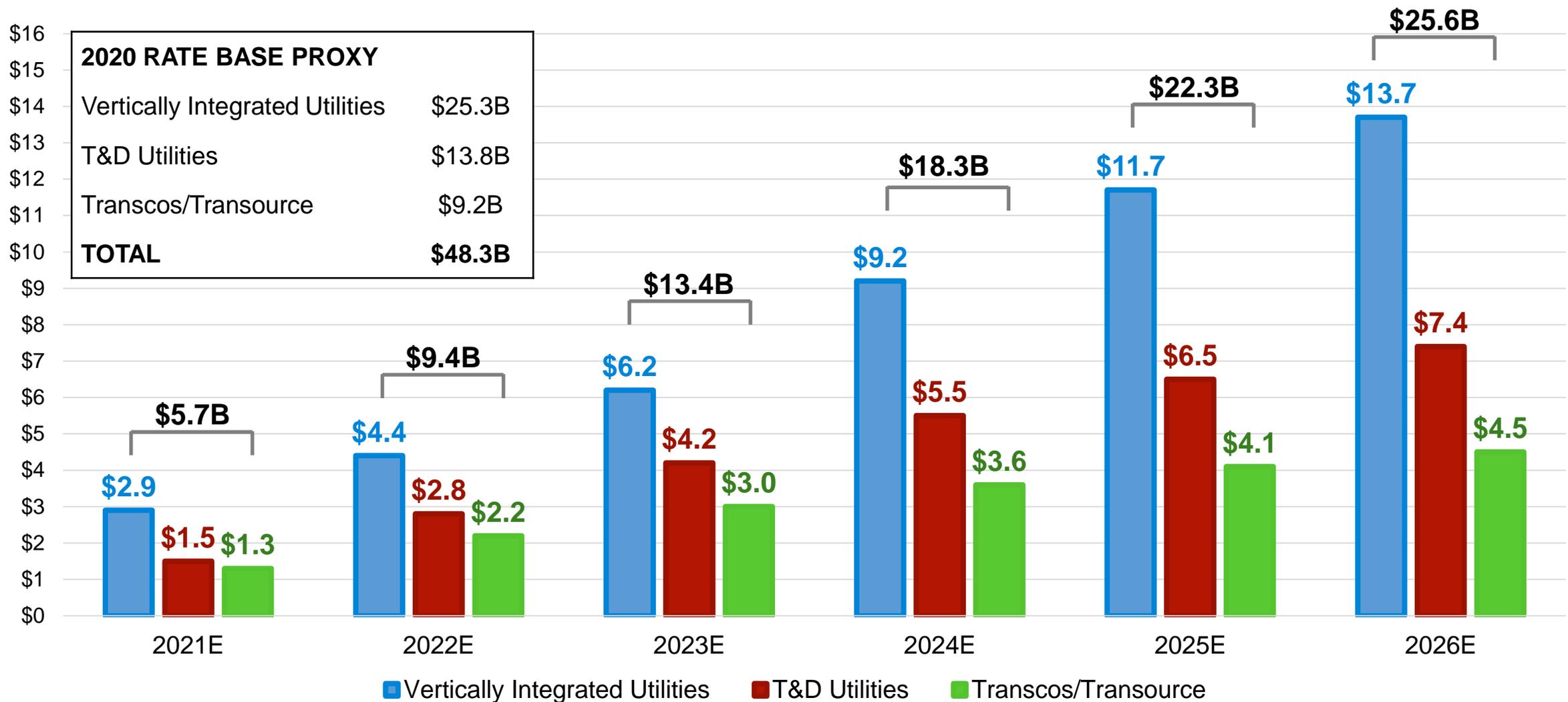
² Capital investments in 2022 include approximately \$1.3B for North Central Wind's Traverse project.

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.

7.3% CAGR in Rate Base Growth

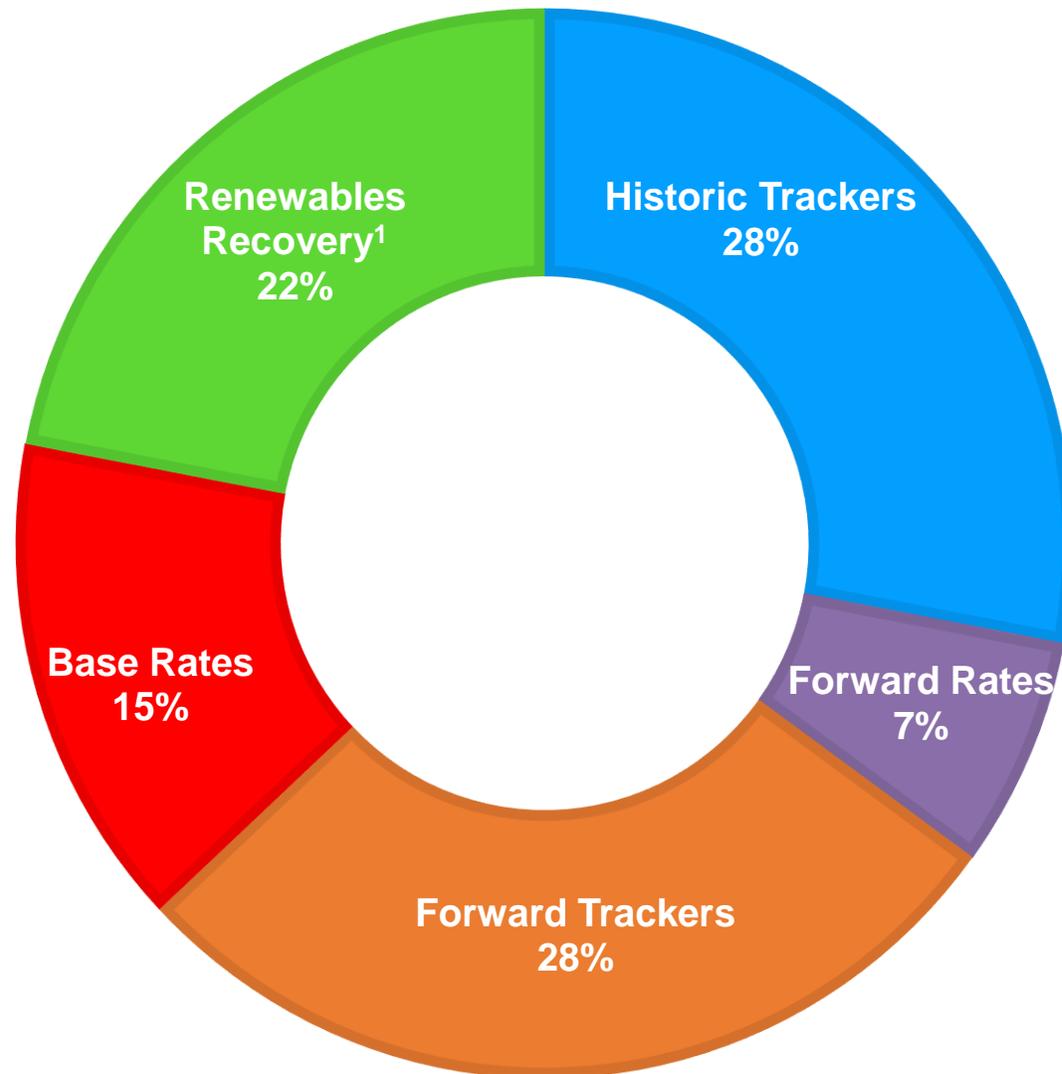
Cumulative Change from 2020 Base



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

Note: For comparative purposes, 2020 rate base proxy excludes all Kentucky-related rate base of approximately \$2 billion

Efficient Cost Recovery Mechanisms



Approximately 85% of 2022-2026 regulated capital plan recovered through reduced lag mechanisms

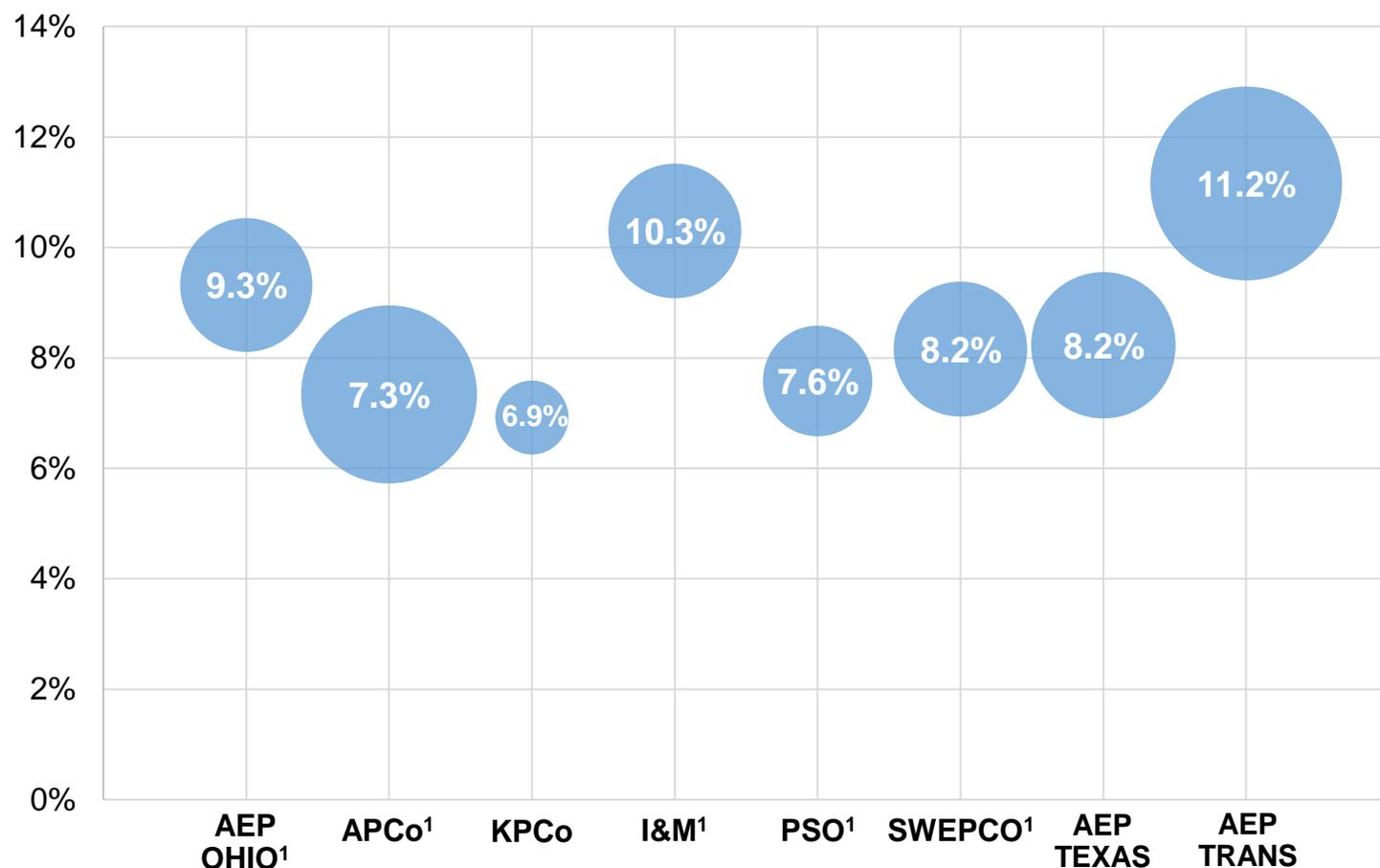
¹ Recovery of renewable investments will occur using a combination of reduced lag mechanisms including trackers, forward test years, near-term retention of PTCs and timed rate cases

FINANCIAL INFORMATION

- Regulated Returns and Authorized Equity Layers
- 2022 Operating Earnings Guidance
- Regulatory Timeline of Kentucky Sale
- Current Rate Case Activity
- Untracked O&M
- Normalized Load Trends
- Capitalization and Liquidity
- 2022 Debt Issuances and Maturities
- Credit Ratings

Regulated Returns and Authorized Equity Layers

Twelve Months Ended 9/30/2021 Earned ROE's
(non-GAAP operating earnings, not weather normalized)



Authorized Equity Layers
(in whole percentages)

Operating Company	9/30/17	9/30/21	Improvement
AEP Ohio ²	48%	54%	6%
APCo – VA	43%	50%	7%
APCo – WV	47%	50%	3%
PSO ²	44%	53%	9%
SWEPCO – AR ²	46%	51%	5%
SWEPCO – LA ²	47%	51%	4%
AEP Texas	40%	43%	3%
AEP Transmission	50%	55%	5%

2022 Forecasted Regulated ROE is 9.3%

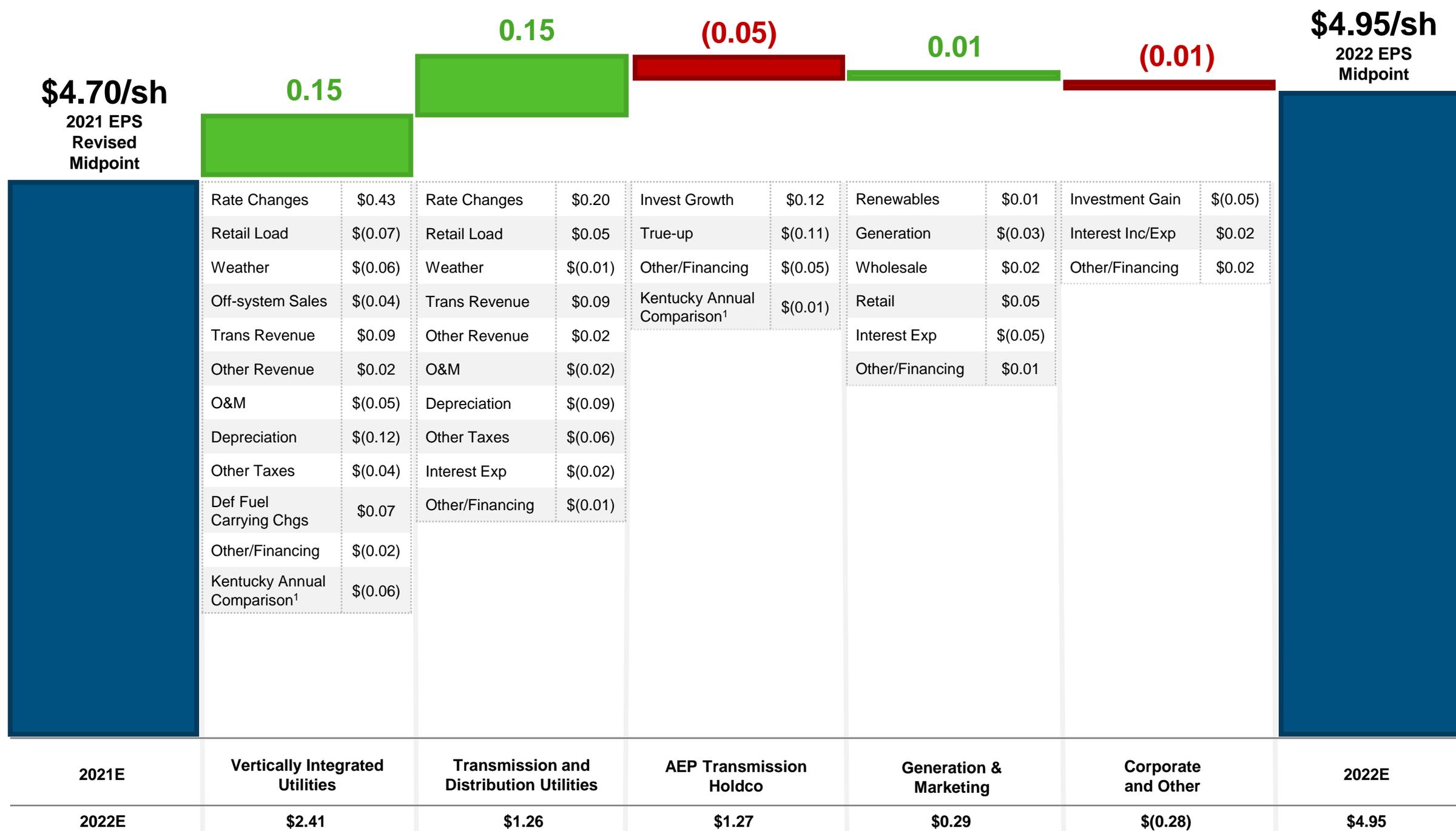
**Improving
Authorized Equity
Layers Over Time**

¹ Base rate cases pending/order recently received

² 9/30/2021 data represents equity layers in recent base rate cases

Sphere size based on each company's relative equity balance

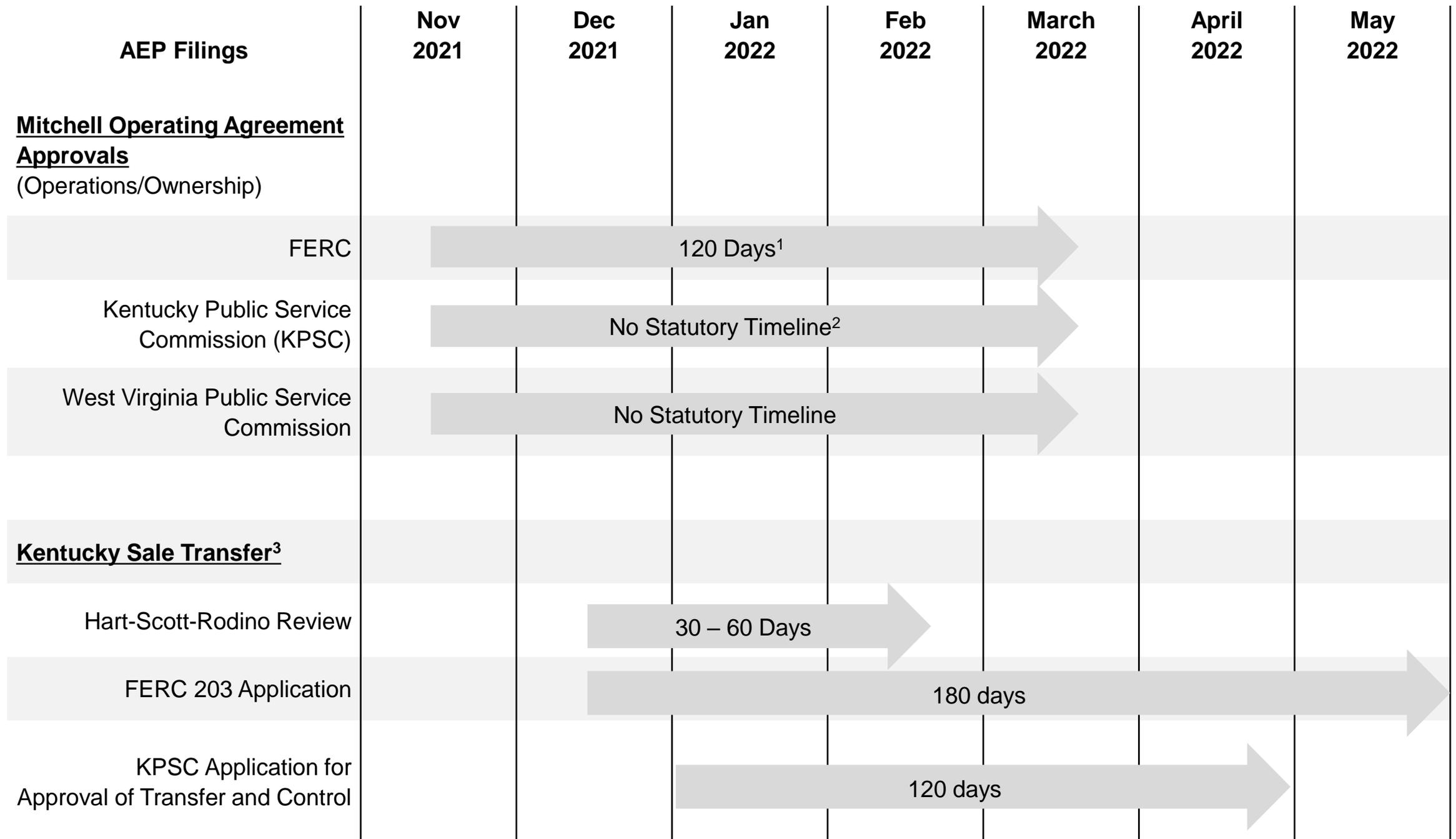
2022 Operating Earnings Guidance



¹ Represents the net impact to earnings of Kentucky operations being included in AEP consolidated results for 12 months in 2021 vs. 4 months in 2022. Expected accretion from Kentucky sale transaction included in 2022 operating earnings guidance.

Regulatory Timeline of Kentucky Sale

In October 2021, AEP entered into an agreement to sell its Kentucky operations to Algonquin Power & Utilities for an enterprise value of \$2.846B. The sale is expected to close in Q2-22 pending regulatory approvals.



¹ In December 2021, AEP filed an unopposed motion to hold a technical conference on 1/18/2022 and change the requested effective date for the new Mitchell agreements to 3/18/2022.

² The KPSC scheduled a hearing for March 1-3, 2022 with an expected order shortly thereafter.

³ Also needs clearance from the Committee on Foreign Investment in the United States (90-120 days).

Current Rate Case Activity

AEP Ohio

Docket #	20-0585-EL-AIR
Filing Date	6/1/2020
Requested Revenue Increase	\$402M
Requested Rate Base	\$3.105B
Requested ROE	10.15%
Cap Structure	45.6%D / 54.4%E
Net Revenue Increase	\$41M ¹
Test Year	11/30/2020
<u>Settlement Summary</u>	
Settlement Filed	3/12/2021
Commission Order	11/17/2021
Effective Date	12/1/2021
Revenue Increase	\$295M
Rate Base	\$3.088B
ROE	9.7%
Cap Structure	45.6%D / 54.4%E
Net Revenue Decrease	\$64M ¹

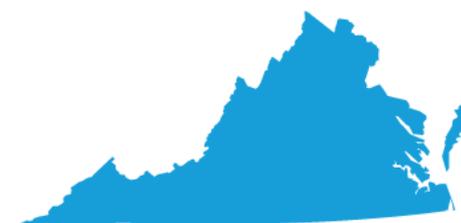
¹ Approximately \$60M of the filed vs. settled difference reflects the discontinuation of EE/DSM programs and movement of certain items from base rates to riders; no earnings impact.



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 Summary²</u>	
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

² APCo immediately filed an appeal of the commission order with the Virginia Supreme Court. While the court declined to expedite the appeal schedule and grant interim rates, the appeal remains on the normal timeline with a result expected in 2022.



Current Rate Case Activity

I&M - Indiana

Docket #	45576
Filing Date	7/1/2021
Requested Rate Base	\$5.2B
Requested ROE	10.0%
Cap Structure	49.1%D / 50.9%E
Gross Revenue Increase	\$104M (Less \$7M D&A)
Net Revenue Increase	\$97M
Test Year	2022 Forecasted
<u>Settlement Summary</u>	Pending Commission Approval
Settlement Filed ¹	11/16/2021
Settlement Hearing	12/17/2021
ROE	9.7%
Cap Structure	50%D / 50%E
Net Revenue Increase ^{2,3}	\$61M
Expected Commission Order	Q2-22

¹ Joint stipulation and settlement agreement reached with all parties but one who is not opposing the settlement.

² Does not include \$145M of Rockport Unit 2 costs moving from base rates to riders through the end of the Rockport Unit 2 lease term in December 2022; no earnings impact.

³ Revenue increases are recognized on a phased-in basis. The result is a \$3M net increase beginning in Q2-22 and a \$61M net increase beginning in January 2023.



PSO

Docket #	202100055
Filing Date	4/30/2021
Requested Rate Base	\$3.293B
Requested ROE	10.0%
Cap Structure	47.0%D / 53.0%E
Gross Revenue Increase	\$172M ⁴ (Less \$57M D&A)
Original Net Revenue Increase	\$115M
6-Month Post Test Year Net Revenue Increase	\$70M ⁵
Test Year	12/31/2020
<u>Commission Order Summary</u>	
Order Received	12/28/2021
Effective Date ⁶	2/1/2022
ROE	9.4%
Cap Structure	47.0%D / 53.0%E
Net Revenue Increase	\$51M

⁴ Does not include \$71M of current riders moving to base rates.

⁵ The change in net revenue ask is the result of a 6-month post test year adjustment that included an additional \$32M of current riders moving to base rates and \$13M of rebuttal testimony adjustments.

⁶ PSO implemented interim rates in November 2021.



Current Rate Case Activity

SWEPCO – Arkansas¹

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 ²
<u>Procedural Schedule</u>	
Intervenor Testimony	12/7/2021
Rebuttal Testimony	1/13/2022
Hearing	3/15/2022
Expected Commission Order	Q2-22

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	1/18/2022
Expected Commission Order	Q2/Q3-22

SWEPCO - Texas

Docket #	51415
Filing Date	10/13/2020
Requested Rate Base	\$2.0B
Requested ROE	10.35%
Cap Structure	50.6%D / 49.4%E
Gross Revenue Increase	\$90M ⁴ (Less \$17M D&A)
Net Revenue Increase	\$73M
Test Year	3/31/2020
<u>Procedural Schedule</u>	
Expected Commission Order	January 2022 ⁵

¹ This filing provides notice of re-election for rate regulation under a formula rate review mechanism.

² Includes adjustments for reasonably known and measurable changes through 4/30/2022, including North Central Wind.

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

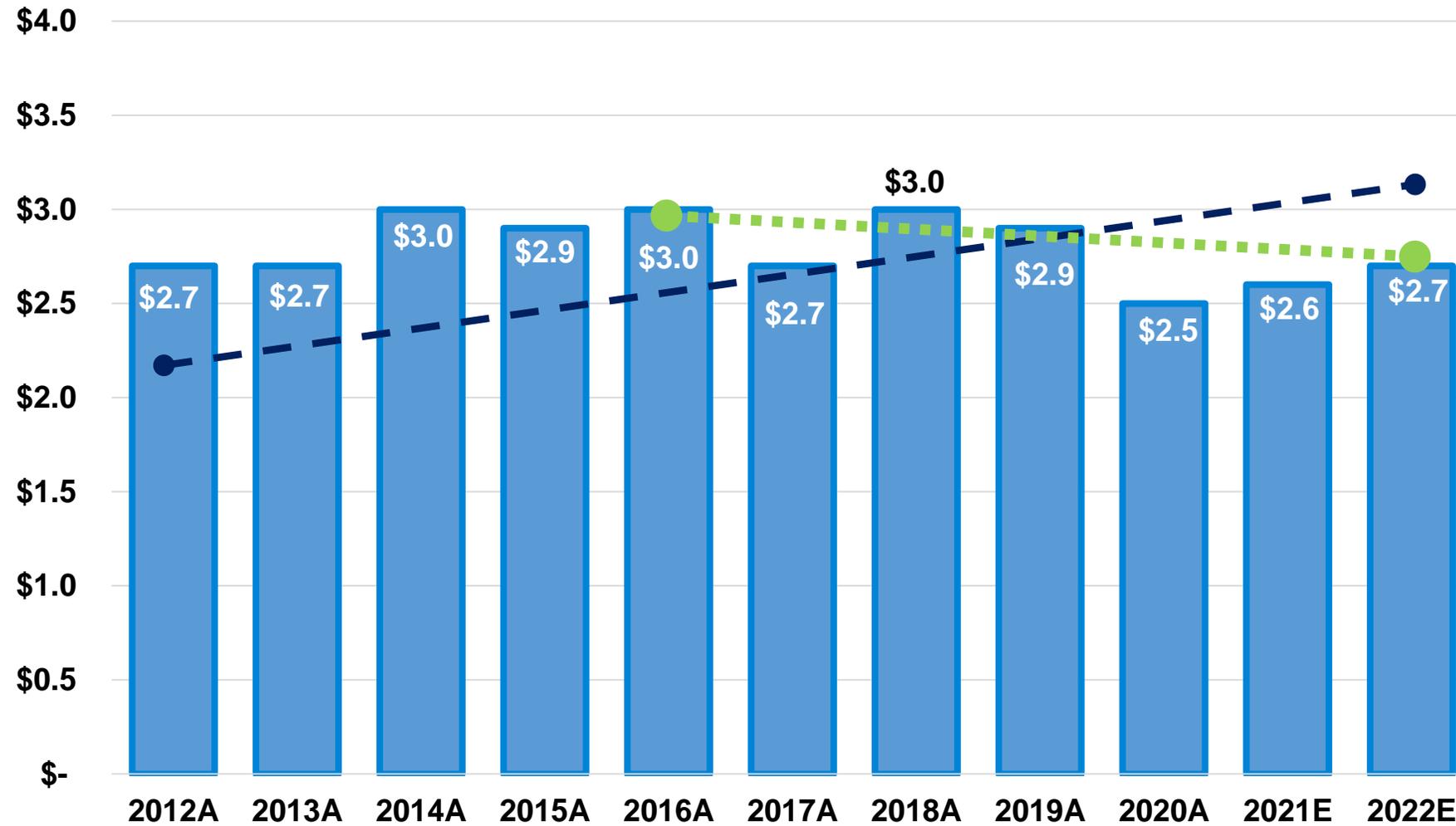
⁴ Does not include \$15M of current riders moving to base rates.

⁵ Commission voted to adopt PFD with certain modifications during the 11/18/2021 open meeting. Commission subsequently issued a draft order on 1/7/2022 reflecting the decision made during the November open meeting; draft order will be reviewed at the 1/13/2022 commission meeting.



Untracked O&M

(in billions)



O&M focuses on bending the O&M curve down

O&M actual spend represents adjusted spend throughout each year as needed

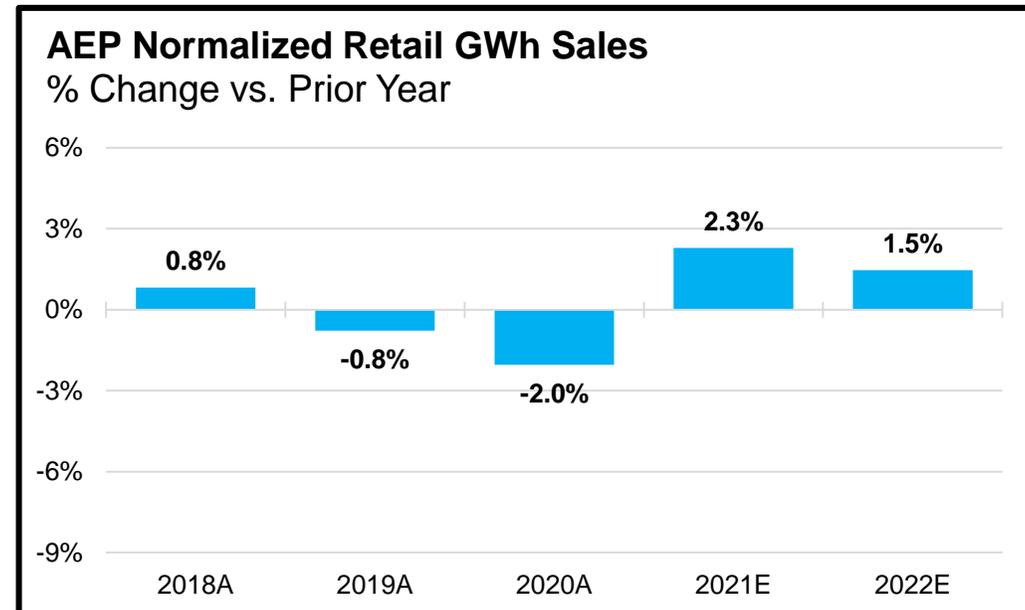
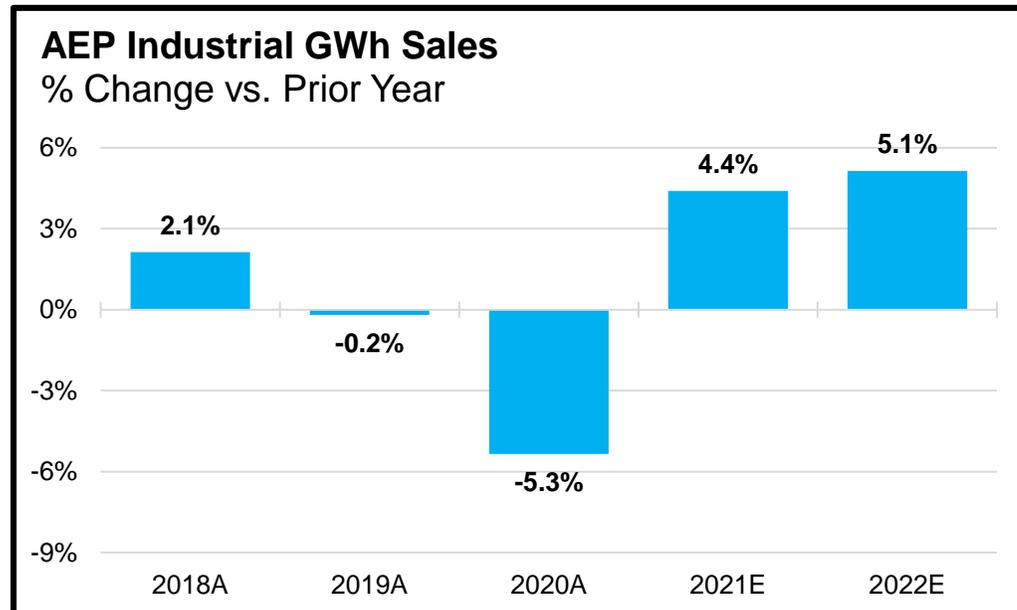
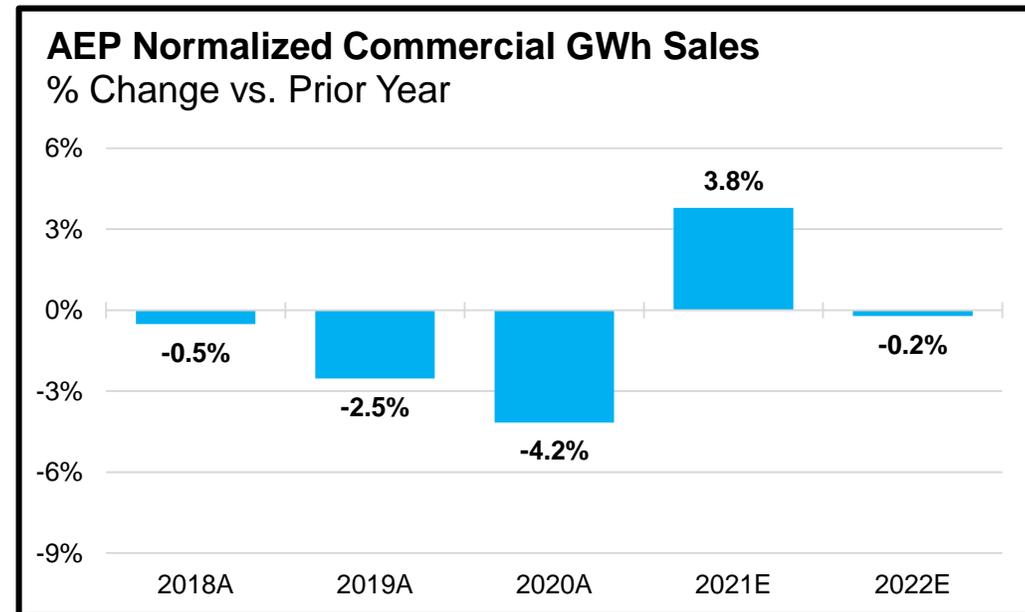
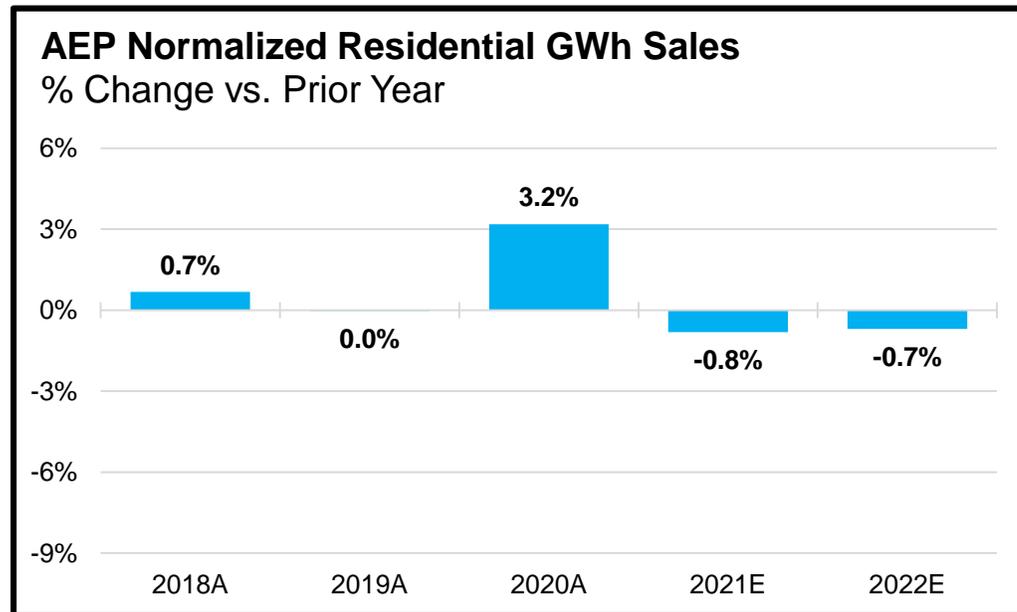
■ Untracked O&M Actuals/2021-2022 Estimate

●-● Bending the Curve Trajectory

●-● Inflation @ 2%

Note: For comparative purposes, historical and projected O&M excludes Kentucky-related O&M expenses

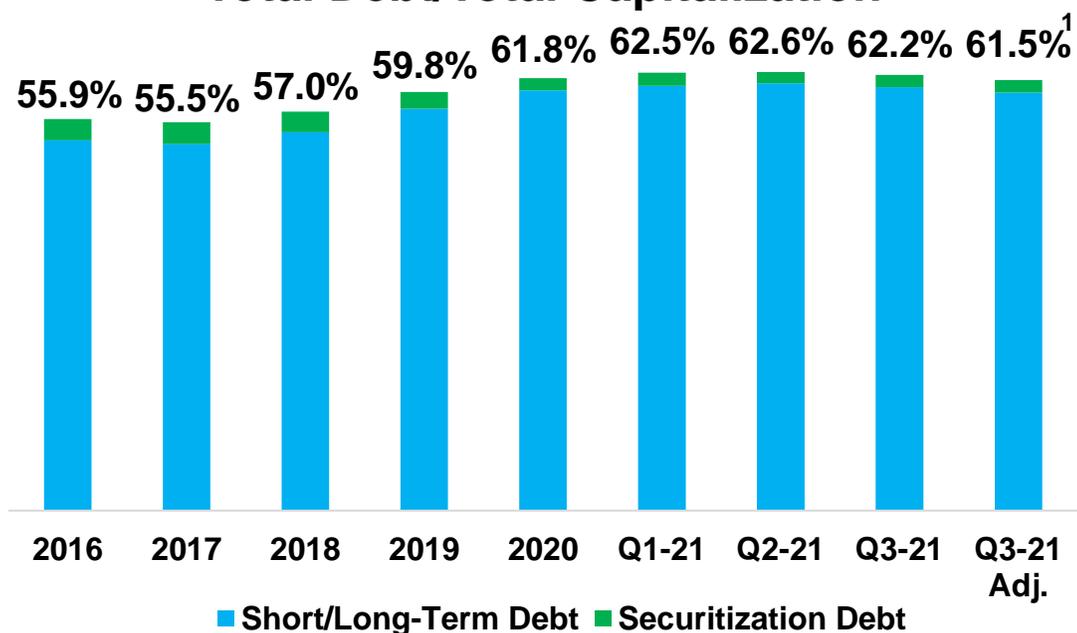
Weather Normalized Billed Retail Load Trends



Note: 2021 estimates represent 9 months weather normalized actual results plus 3 month forecasted values. 2021/2022 comparisons may change based on actual 2021 results. For comparative purposes, historical and projected load excludes Kentucky Power Company.

Capitalization & Liquidity

Total Debt/Total Capitalization



Credit Statistics

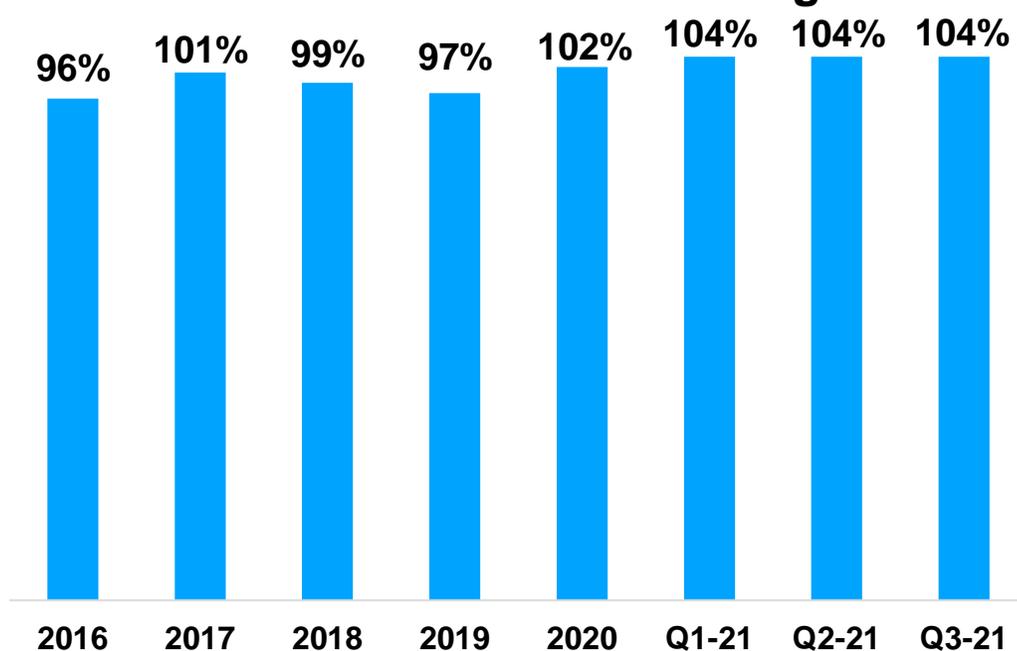
	Moody's	GAAP
FFO to Total Debt	10.2%	10.1%
Adj FFO to Total Debt ¹	13.6%	13.5%
Targeted Range	13.5% - 15.0%	

Represents the trailing 12 months as of 9/30/2021

Liquidity Summary

(\$ in millions)	9/30/2021 Actual	
	Amount	Maturity
Revolving Credit Facility	\$ 4,000	March 2026
Revolving Credit Facility	1,000	March 2023
364-Day Term Loan	500	March 2022
Plus		
Cash & Cash Equivalents	1,373	
Less		
Commercial Paper Outstanding	(1,254)	
364-Day Term Loan	(500)	
Letters of Credit Issued	-	
Net Available Liquidity	\$ 5,119	

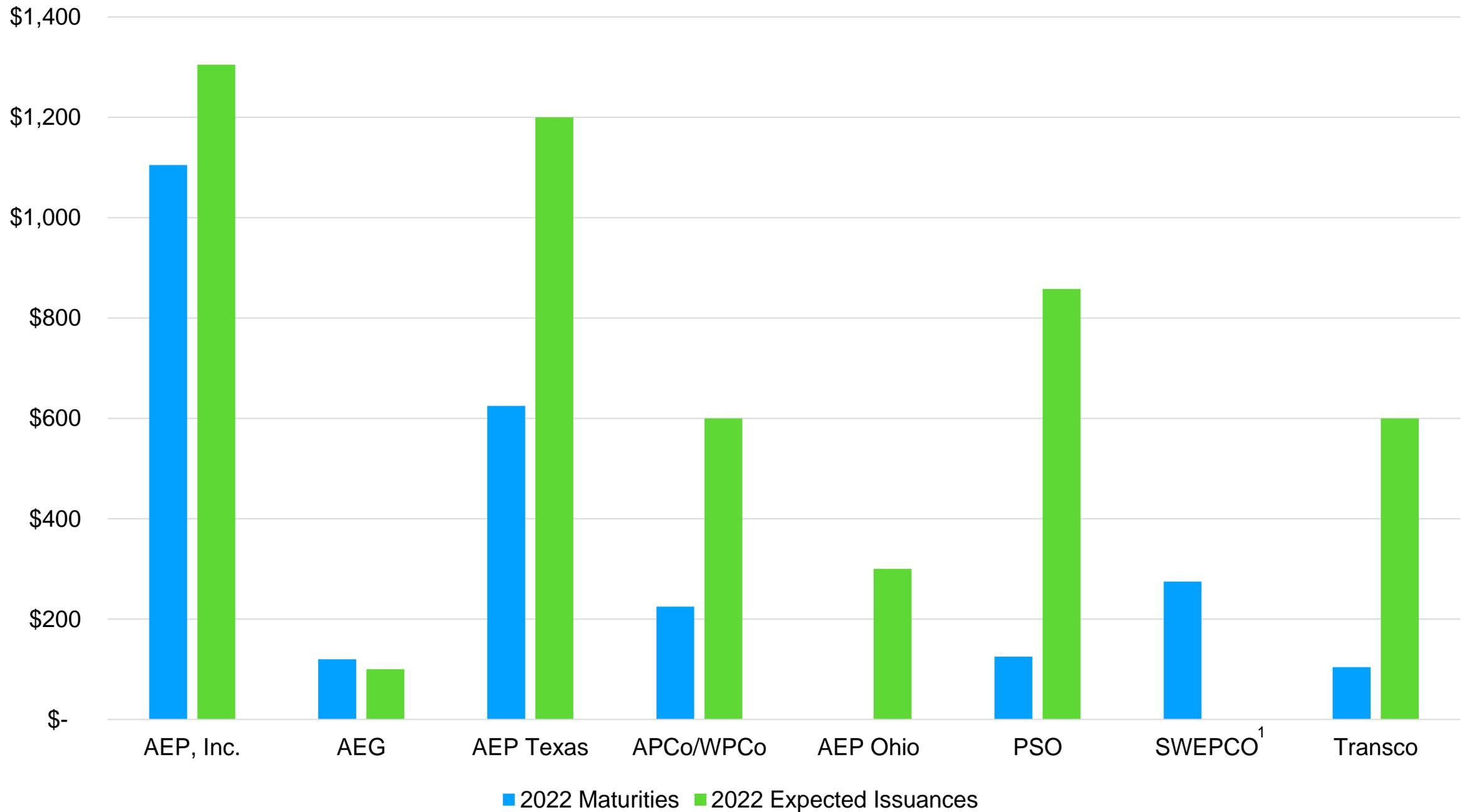
Qualified Pension Funding



¹ Adjusted data excludes impact of Storm Uri in February 2021 that resulted in significant fuel and purchased power costs at PSO and SWEPCO and related incurrence of debt as of 9/30/2021. AEP's credit metrics saw temporary pressure in 2021 as we work through the regulatory recovery process at PSO and SWEPCO. Management is in frequent contact with rating agencies to keep them apprised of all aspects of the business. AEP's FFO to Total Debt range for the 2022-2026 forecasted period is 13.5%-15.0%.

2022 Debt Issuance and Maturities Overview

(\$ in millions)



Note: Pending close of sale of Kentucky operations in Q2-22, AEP proceeds will be net of Kentucky's outstanding indebtedness. Additionally, any residual proceeds may be used to reduce a small portion of other outstanding debt.

¹ In November 2021, SWEPCO announced plans to redeem \$275 million of 3.55% Senior Notes due in 2022

Credit Ratings

Current Ratings for AEP, Inc. and Subsidiaries (as of 12/31/2021)

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

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

- **Emission Reduction Goals**
- **Investing to Reduce Emissions**
- **Committed to Being a Top ESG Employer**



Carbon Emission Reduction Goals

80%

by 2030

Net Zero

by 2050

(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
- Electrification

AEP's Environmental, Social and Governance (ESG) Reporting:

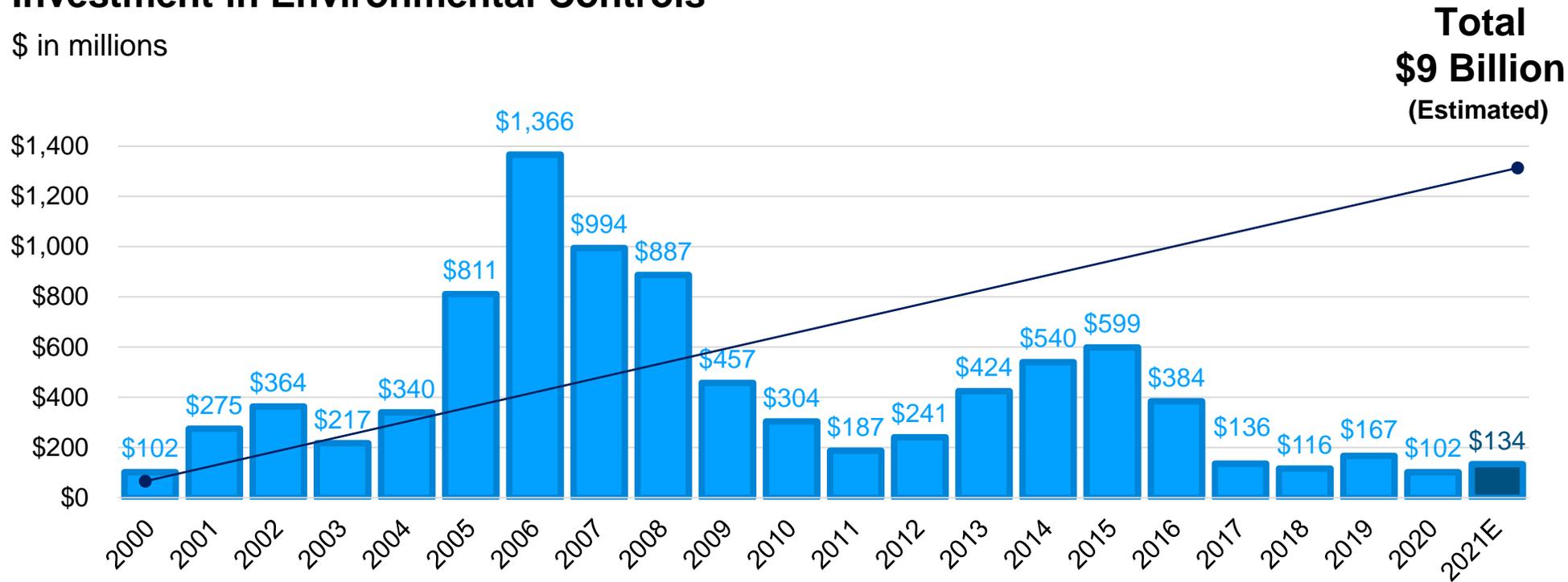
- Corporate Accountability Report
- Climate Impact Analysis Report (a TCFD report)
- ESG Data Center (featuring 250+ ESG metrics)
- EEI ESG Sustainability Report
- Sustainability Accounting Standards Board (SASB)
- CDP Survey Responses
- GRI Report
- AEP also responds to investor-related surveys, including MSCI and Sustainalytics



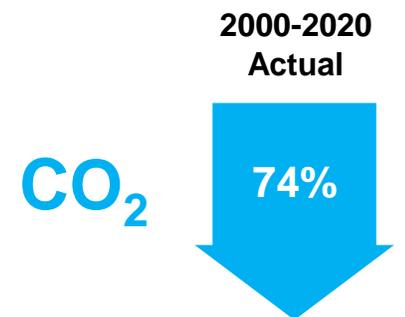
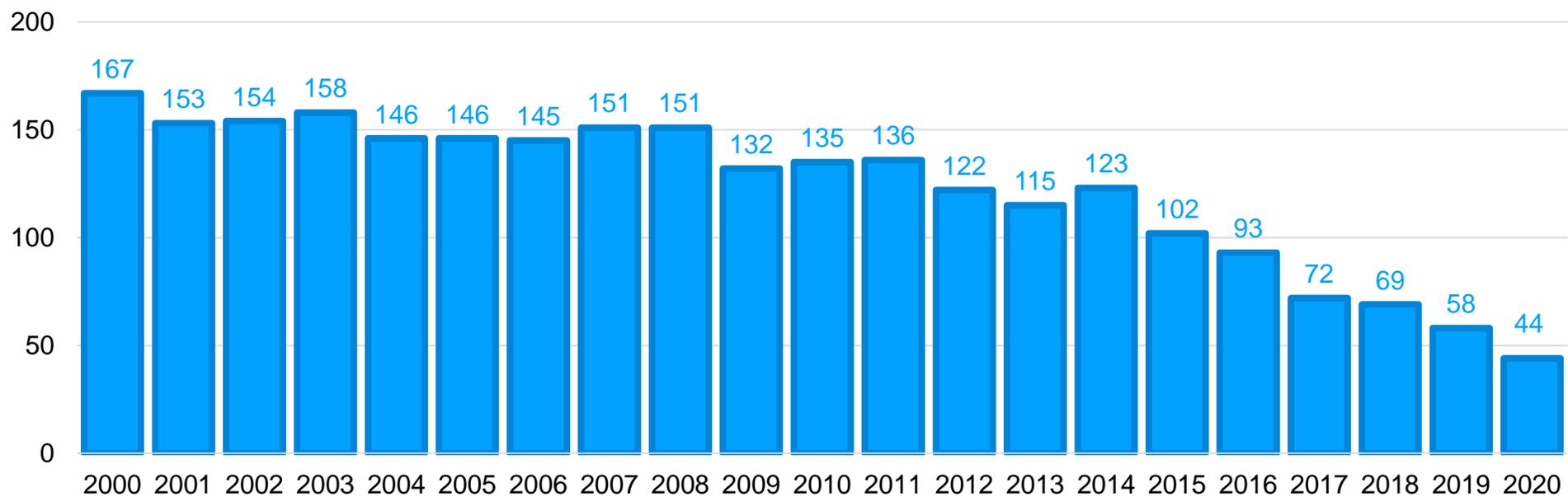
Investing to Reduce Emissions

Investment in Environmental Controls

\$ in millions



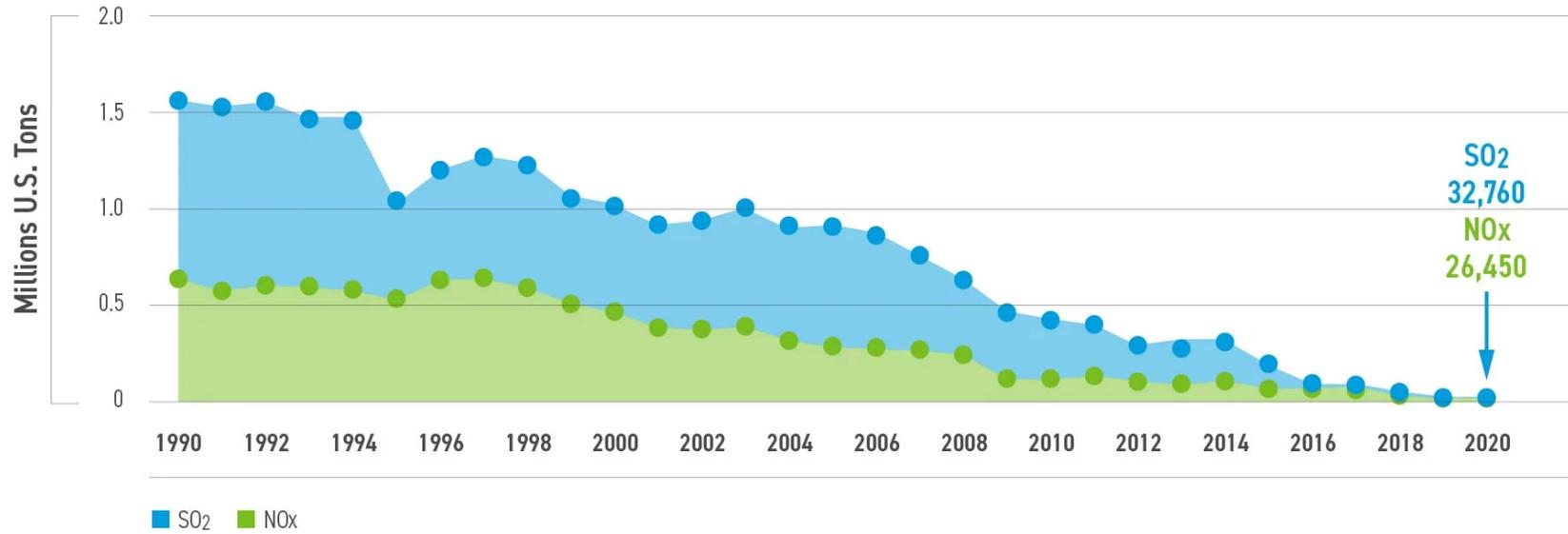
Total AEP System – Annual CO₂ Emissions in million metric tons



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

Investing to Reduce Emissions

Total AEP System NOx and 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.

1990-2020
Actual

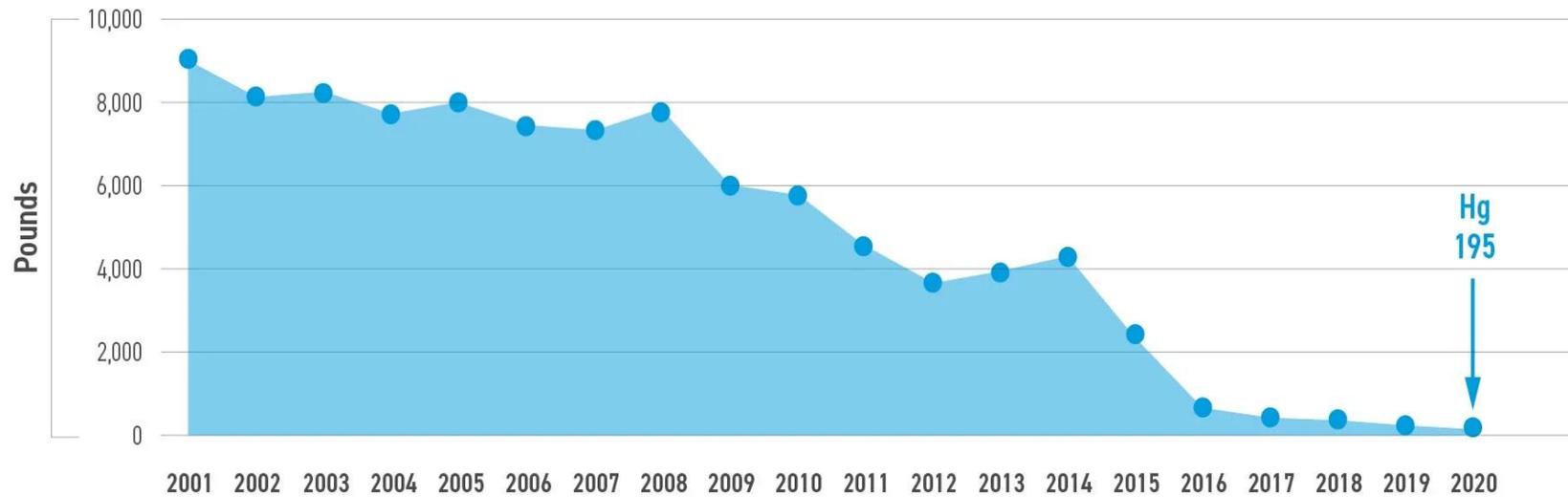
SO₂

98%

NO_x

96%

Total AEP System Mercury Air Emissions



AEP equity share of mercury air emissions from Toxic Release Inventory reporting. 2020 was estimated with MATS program emission monitors.

2001-2020
Actual

Hg

98%

Committed to Being a Top ESG Employer



Recognizes companies that set the standard in commitment to their stakeholders



Benchmarking tool for businesses to report disability policies and practices



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



**GALLUP EXCEPTIONAL
WORKPLACE AWARD**

Recognizes organizations with engaged workplace cultures

Other Awards/Recognition

- 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
- Forbes America's Best Employers for Women
- Site Selection Magazine's Top Utilities for Economic Development



Annual measure of how equitably large businesses treat LGBTQ employees, consumers and investors

GENERATION TRANSFORMATION

- **Delivering Clean Energy Resources**
- **Regulated Renewables Opportunity**
- **Regulated Renewable Projects and RFPs**
- **North Central Wind Overview**



Delivering Clean Energy Resources

AEP's September 30, 2021 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	56	450	506
Public Service Company of Oklahoma	222	1,137	1,359
Southwestern Electric Power Company	264	469	733
Competitive Wind, Solar and Hydro	1,681	101	1,782
Total	3,008	2,941	5,949



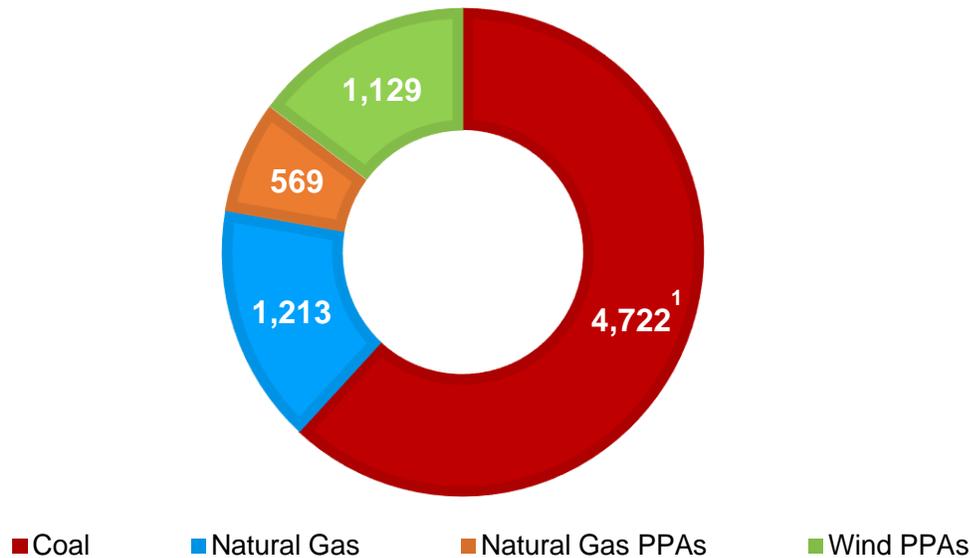
~16,300 MW

Renewable Generation Interconnected Across the U.S. via AEP'S Transmission System Today

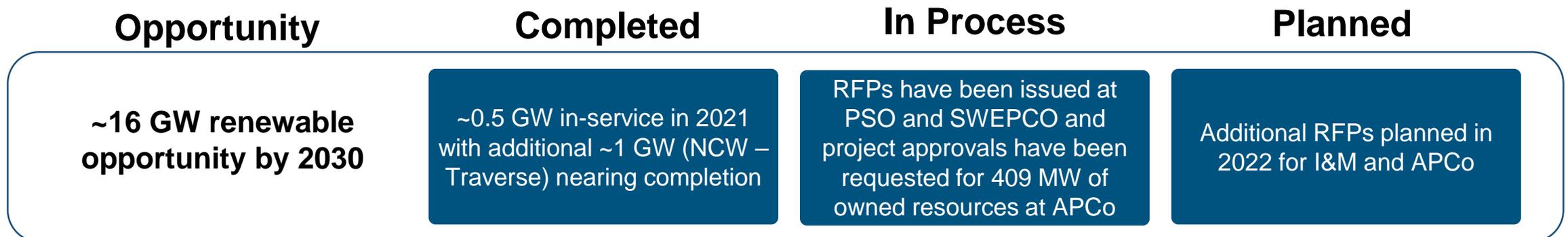
Regulated Renewables Opportunity



Regulated Generation Retirement and PPA Expirations (MW) 2022-2030



~8 GW of planned retirements and expiring PPAs from 2022-2030 driving capacity needs



¹ Does not include retirement of the 595 MW Cardinal Unit 1 in 2028 which is part of AEP's unregulated generation fleet

Regulated Renewable Projects and RFPs

Requests for Proposals (RFP)

	Resource Type	“Up To” MW Capacity	RFP Issuance Date	Regulatory Applications	Projected In-Service Date
	Wind	3,000	June 2021	Q2-22 – Q2-23	YE-24 – YE-25
	Solar / Storage	300			
	Wind	2,800	November 2021	Q3-22 – Q2-23	YE-24 – YE-25
	Solar / Storage	1,350			
	Wind / Solar / Storage	(TBD)	Expected Q1-22	Q4-22 – Q2-23	YE-25
	Wind / Solar / Storage	(TBD)	Expected Q1-22	Q4-22 – Q2-23	YE-25

Owned Renewable Projects Seeking Regulatory Approval

	Resource Type	Project Name / Location	MWs	Regulatory Filing	Projected In-Service Date
	Solar	Amherst / Virginia	5	December 2021	Q4-22
	Solar	Bedington / West Virginia	50	December 2021	Q4-23
	Solar	Firefly / Virginia	150	December 2021	Q3-24
	Wind	Top Hat / Illinois	204	December 2021	Q1-25
Total Megawatts / Estimated Investment: 409 MW / \$841M					

Near-Term Integrated Resource Plan (IRP) Updates

Filings Completed

October 2021
PSO - OK

December 2021
SWEPCO – AR

APCo - VCEA Compliance Plan

2022 Filings

January 2022
I&M - IN

February 2022
I&M - MI

May 2022
APCo - VA

TBD 2022
SWEPCO - LA

IRPs set the stage for new regulated renewable resource additions

North Central Wind Overview



North Central Wind - Maverick

Approved MW Allocation

Jurisdiction (Docket #)	MW	% of Project
PSO (PUD 2019-00048)	675	45.5%
SWEPCO – AR (19-035-U)	268	18.1%
SWEPCO – LA (U-35324)	464	31.2%
SWEPCO - FERC	78	5.2%
Total:	1,485	100%

PSO and SWEPCO Regulated Wind Investment

Total Rate Base Investment	~\$2 billion (1,485 MW)			
	Name	MW	Estimated Investment	Commercial Date
North Central Wind	Sundance	199	\$300M	Apr. 14, 2021 (100% PTC)
	Maverick	287	\$400M	Sept. 10, 2021 (80% PTC)
	Traverse	999	\$1,300M	Jan. 2022 to Apr. 2022 (80% PTC)
Net Capacity Factor	44%			
Customer Savings	~\$3 billion (30-year nominal \$)			
Developer	Invenergy			
Turbine Supplier	GE			

Note: Facilities acquired on a fixed cost, turn-key basis at completion

TRANSMISSION TRANSFORMATION

- **Transmission Strategy**
- **Five-Year Capital Plan**
- **Investments in Asset Renewals**
- **Stable Cost Recovery Framework**
- **Transmission Customer and Shareholder Value**
- **Well Positioned to Capture New Investment**
- **Holdco Legal Entity Structure**



AEP Transmission Strategy

AEP Transmission's strategy is to modernize and enhance the reliability, security and efficiency of the transmission network to provide our customers the grid of the future

Diverse 5-year capital investment portfolio of \$12.9 billion across AEP's broad geographic footprint of 15 states and 3 regional energy markets

Delivering significant customer benefits:

Higher reliability and resilience
Lower energy costs
Enabling public policies and customer demand for clean energy
Economic development

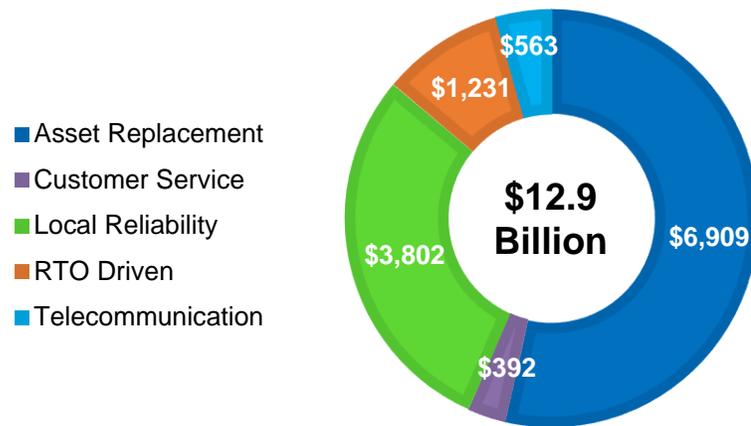
Disciplined execution:

Low cost, high value solutions
High speed delivery
Technological innovation

- ✓ **Stable Cost Recovery Framework**
- ✓ **Deliver Value to Customers and Communities While Providing Predictable Earnings Growth**

Five-Year Transmission Capital Plan

2022-2026 Transmission Investment Categories



From 2022 through 2026, ~50% of AEP's transmission capital investment will be deployed to modernize the transmission grid and enhance reliability and resilience

AEP's transmission investment is well positioned to grow with renewable expansion while improving reliability and meeting customer needs

Costs Supported by AEP Customers

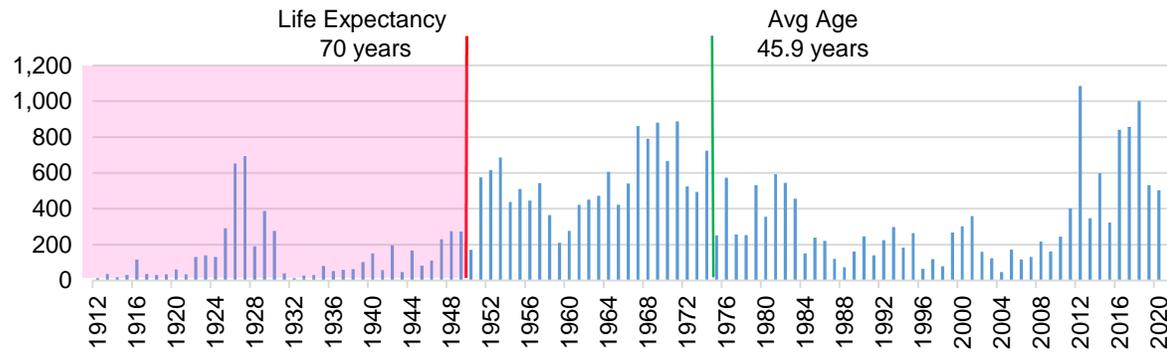
Costs Supported More Broadly

Drivers	Asset Replacement	Local Reliability	Customer Service	Telecom / Technology	RTO-Driven	Interconnection-Driven
	<ul style="list-style-type: none"> Asset renewal investments based on condition, performance and risk to reduce customer outages and interruption times 	<ul style="list-style-type: none"> Standards-driven projects to address thermal and voltage violations, and improve operational flexibility 	<ul style="list-style-type: none"> Upgrades to connect new customers and enhanced service requests Facilitates local economic development 	<ul style="list-style-type: none"> Asset health monitoring, cyber-security requirements and enhanced situational awareness for grid operations 	<ul style="list-style-type: none"> Upgrades needed to address RTO standards related to thermal voltage overloads and contingency conditions Opportunities driven by enabling access to renewable generation 	<ul style="list-style-type: none"> Projects to directly connect renewables and other generation to the grid

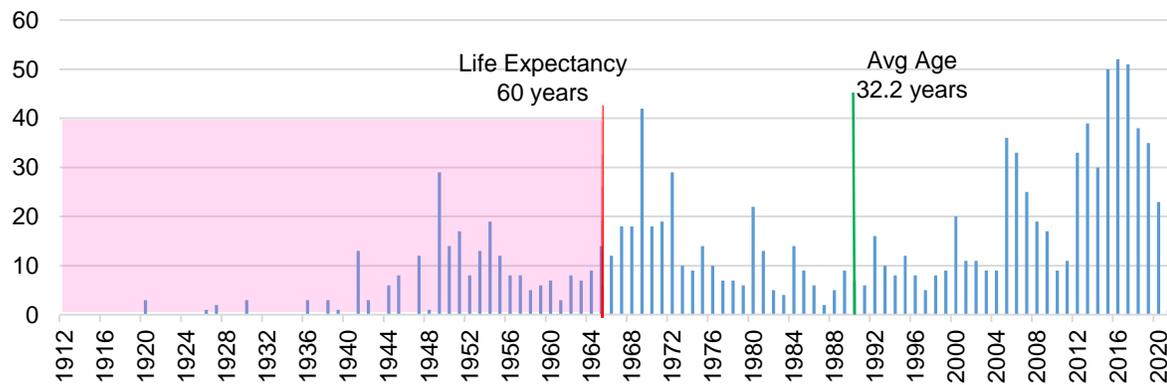
Investments in Asset Renewal Strengthen and Enable the Grid of the Future

AEP T-Line Age Profile

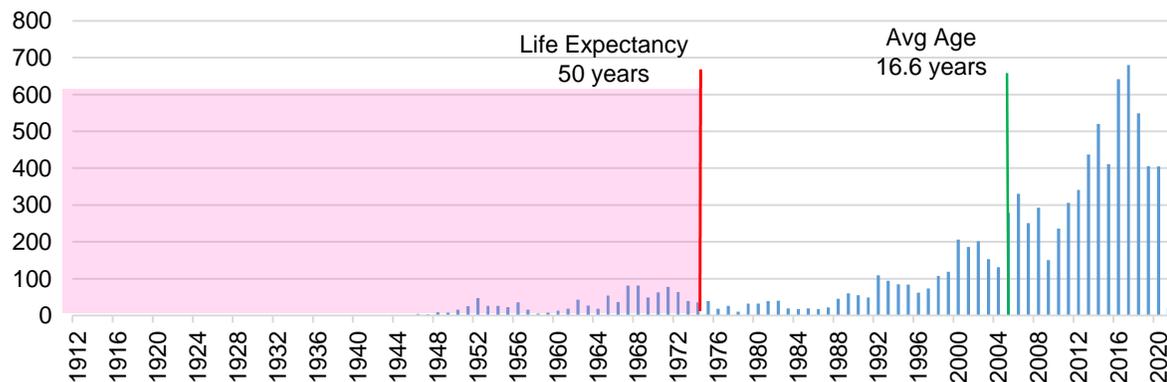
(Line Mile Age based on oldest conductor age)



AEP Transmission Transformer Age Profile



AEP Circuit Breaker Age Profile



Beyond Life Expectancy Range

- **\$2.7 billion** of annual on-system capital investment is required to replace and enhance all assets beyond life expectancy over the next 10 years.
- Asset renewal projects are prioritized based on performance, condition and risk.

AEP Transmission Assets

Life Expectancy (Years)

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

Line Miles

70

6,107

4,513

10,620

30%

Transformers

60

208

165

373

30%

Circuit Breakers

50

808

329

1,137

12%

Average Age (years)

2016 Year-End

2021 Year-End

Line Miles

52.5

45.9

Transformers

36.1

32.2

Circuit Breakers

22.9

16.6

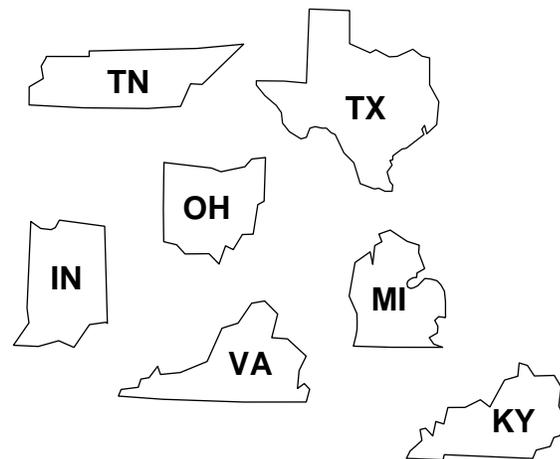
Stable Cost Recovery Framework

Stable and transparent wholesale cost recovery for transmission

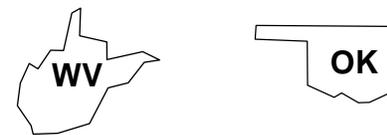
	PJM	SPP	ERCOT
ROE	9.85% Base + 0.50% RTO adder	10.0% Base ROE + 0.50% RTO adder	9.4%
Forward Looking Rates	Yes	Yes	Allowed two updates per year (not forward looking)
Equity Structure	Capped at 55%	No Cap	Capped at 42.5%
Rate Approval Date	May 2019	June 2019	April 2020

~88% of transmission capital investment is recovered through state tracker/rider mechanisms

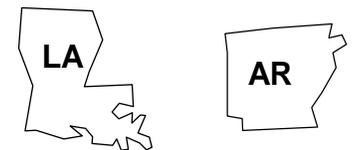
FULL TRACKER/RIDER (T/R) RECOVERY



PARTIAL (T/R) RECOVERY



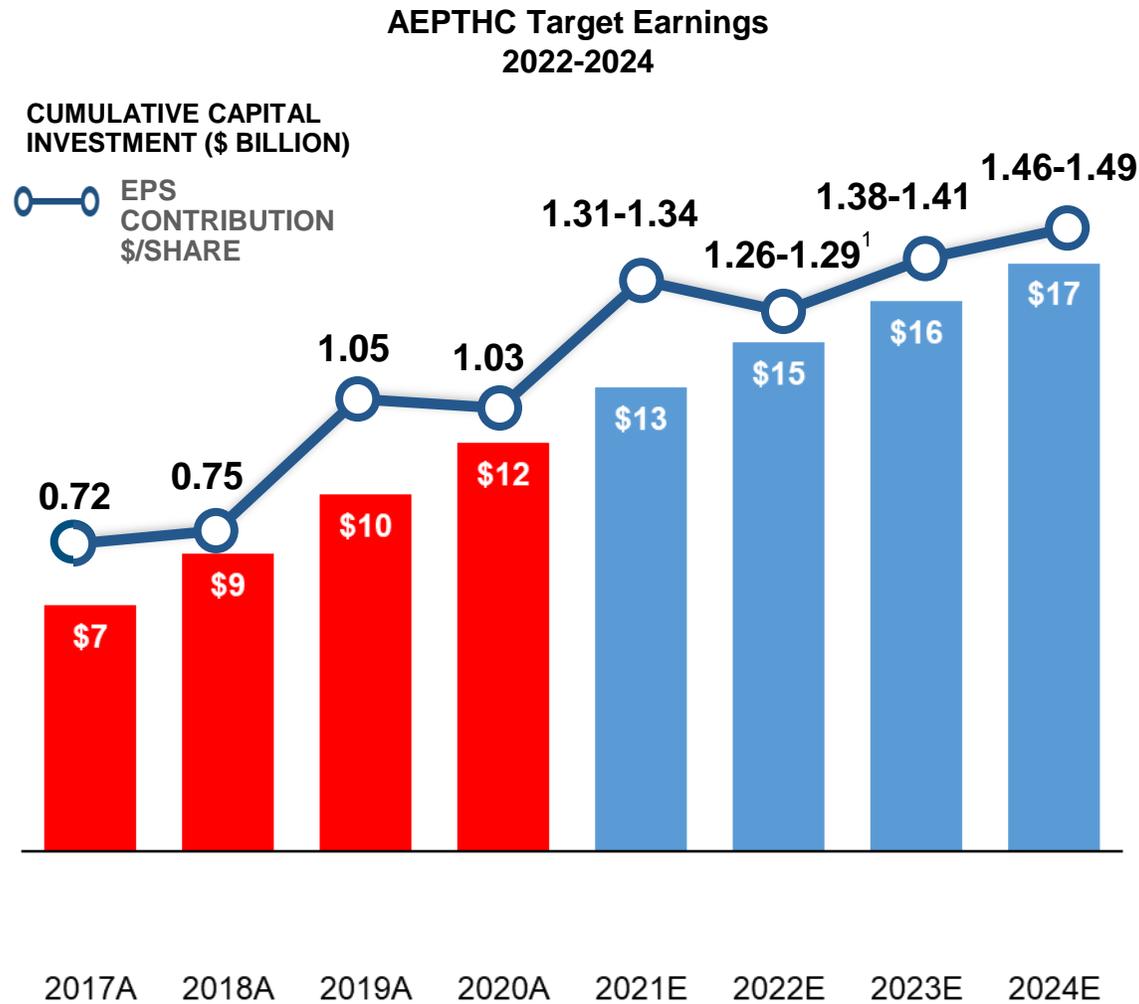
PENDING/FORMULA OR BASE CASE



Note: Arkansas retail formula not currently being utilized

Delivering Significant Customer and Shareholder Value

Shareholder Benefits



AEPTHC's 2017 – 2024 EPS growth projected at a CAGR of 10.8%

Note: Historical and 2021 estimated EPS includes 12 months of Kentucky Transco earnings. 2022 estimated EPS includes only 4 months of Kentucky Transco earnings.

¹ Operating EPS decrease due to over collections in 2021 and related true-up in 2022.

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 communications 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
- ✓ Economic stimulus

Well Positioned to Capture Potential New Transmission Investment Necessary to Link Clean Resource Rich Areas to Customers

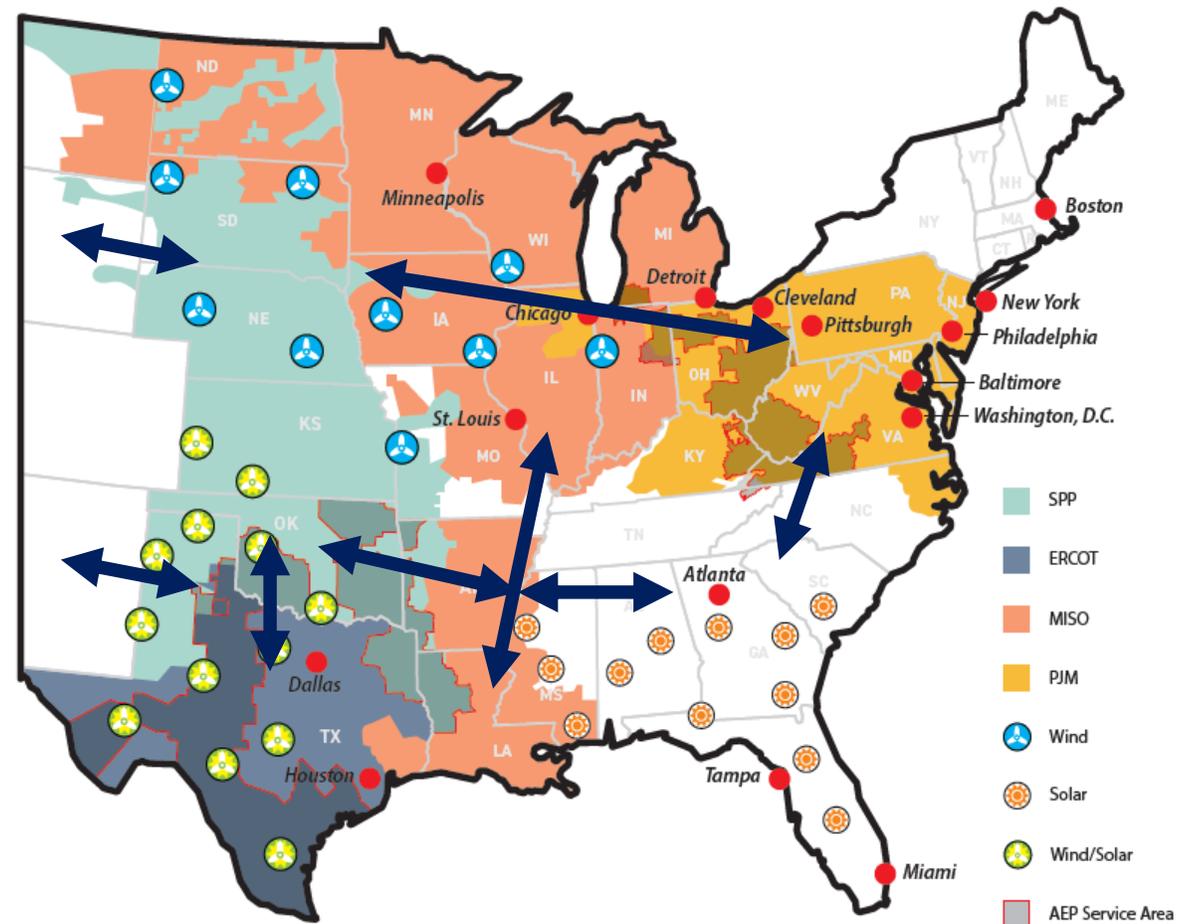
AEP's Competitive Advantage

Scale, Influence and Purchasing Power	<input checked="" type="checkbox"/> Largest transmission owner in the U.S.
Investment Opportunities in Grid of Future	<input checked="" type="checkbox"/> Robust asset renewal program with technology upgrades (i.e. BOLD™, 765kV)
Strategically Located	<input checked="" type="checkbox"/> Geographically diverse and located on multiple market seams
Established Competitive Entity with Proven Track Record	<input checked="" type="checkbox"/> Transource is active in four RTOs
Culture of Innovation	<input checked="" type="checkbox"/> Savings to customers and advantage in competitive solutions



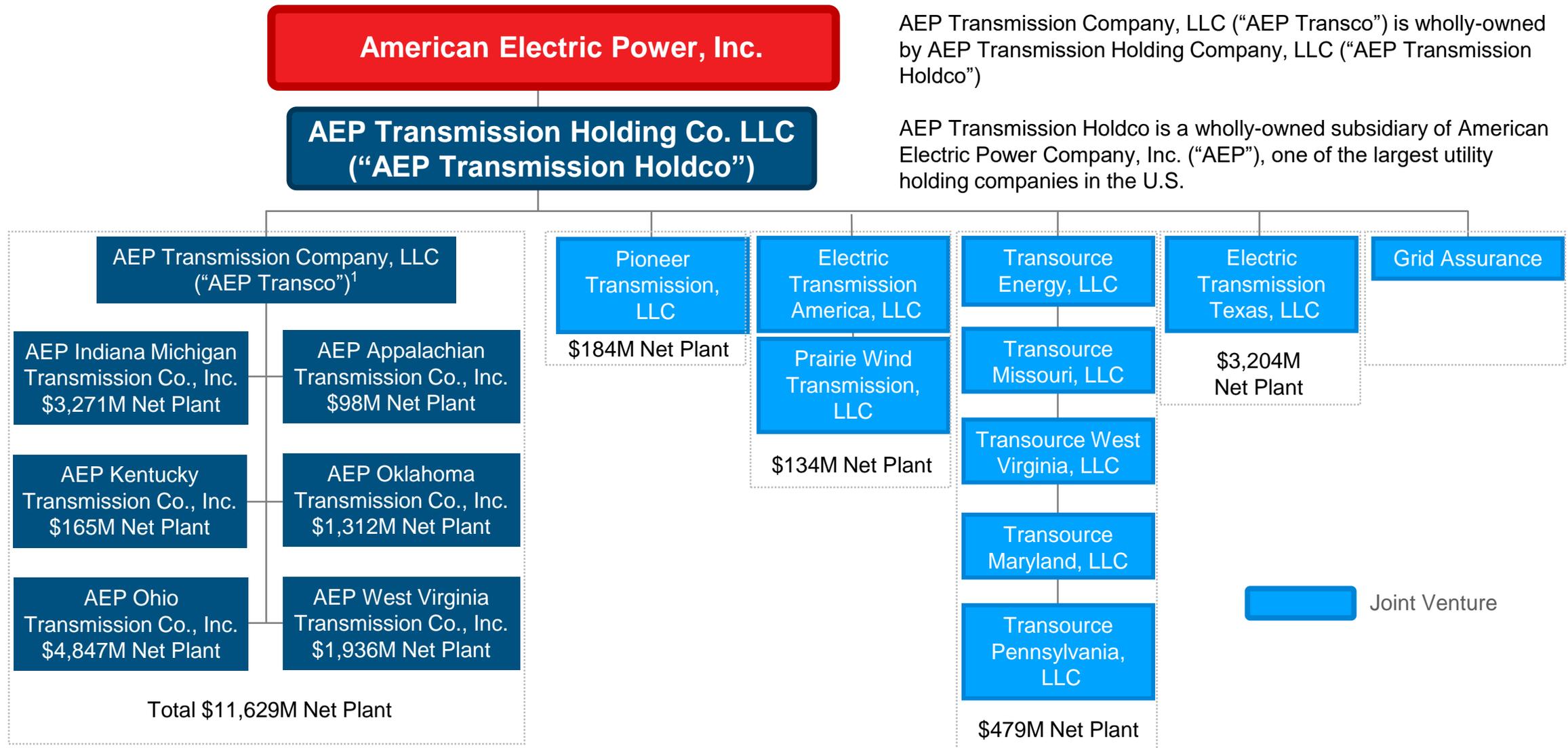
*Transource is AEP's competitive-regulated transmission company

Increased flows across regional seams will link clean, resource-rich areas to customers and AEP is well-situated to deliver competitive or non-competitive transmission solutions



Note: Portion of large-scale transmission investment may be subject to competitive bidding rules per current FERC policy

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 9/30/2021

¹ Debt issued at AEP Transco level for transmission companies

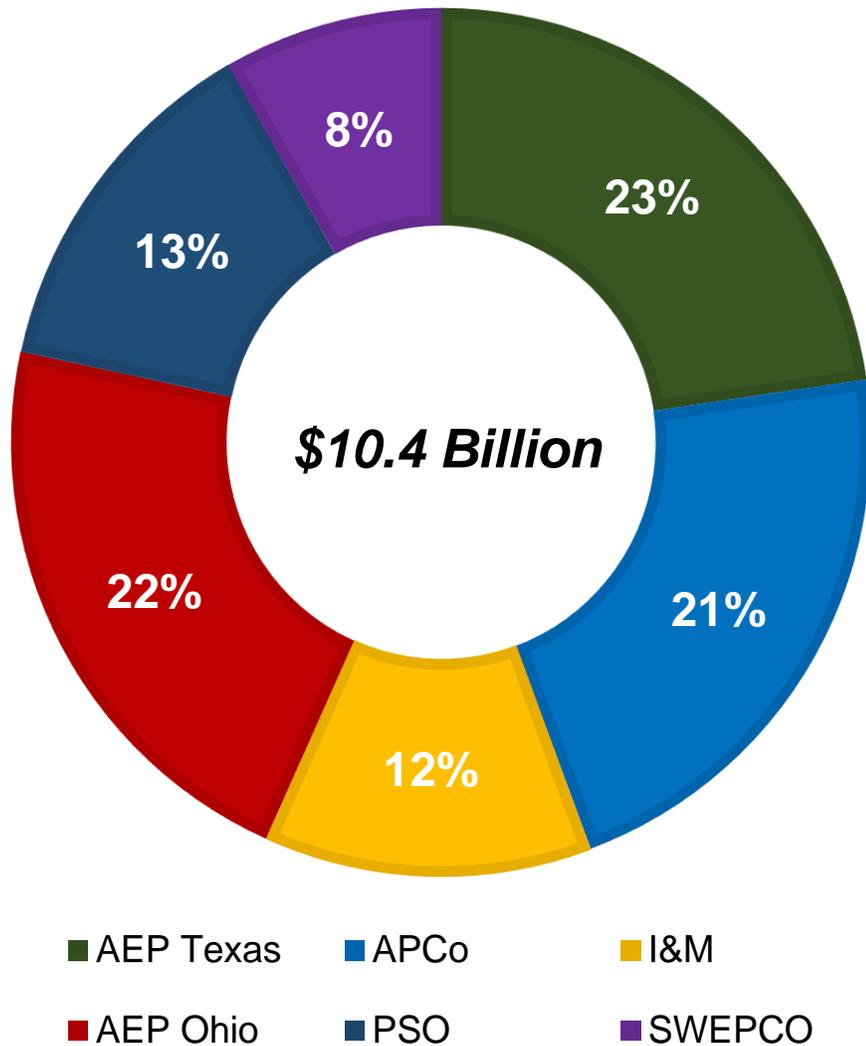
UTILITY TRANSFORMATION

- Robust Distribution Capital Investment Opportunities
- Grid Transformation



Robust Distribution Capital Investment Opportunities

2022 – 2026 Distribution Capex Forecast



Distribution Spend Categories

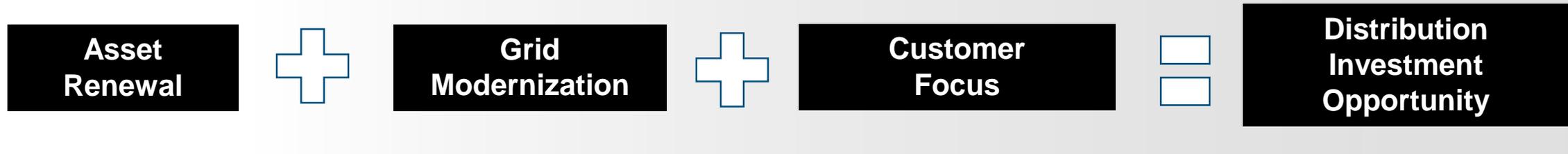
Investment Category	Category Description	Capital Investment (in billions)
Capacity Expansion, Reliability and Modernization	Asset renewal and reliability investments including pole, conductor, cutout, station transformer and breaker replacements and capacity additions	\$ 6.0
Customer Requests	Investments for new service, upgrades, relocations	\$ 1.6
Automation and Technology	Implementation of automated technology including distribution supervisory control and data acquisition, smart switches and reclosers, volt var optimization and sensors. Investments include telecommunication and system components	\$ 1.3
Restoration and Sparing	Storm restoration and spare equipment	\$ 0.5
Advanced Metering Infrastructure (AMI)	Advanced metering technology for the remaining AEP customers	\$ 0.4
Rural Broadband	Investment in fiber assets to provide middle mile broadband to rural communities and for company use	\$ 0.3
Green Technology	Investments in LED outdoor and streetlights and electric vehicle charging infrastructure	\$ 0.3
Total		\$ 10.4

Grid Transformation

AEP is preparing to accommodate new grid resources, grow load in our service territories and open the door to future customer-driven growth opportunities

AEP's Expansive Distribution System Provides Significant Opportunity for Investment

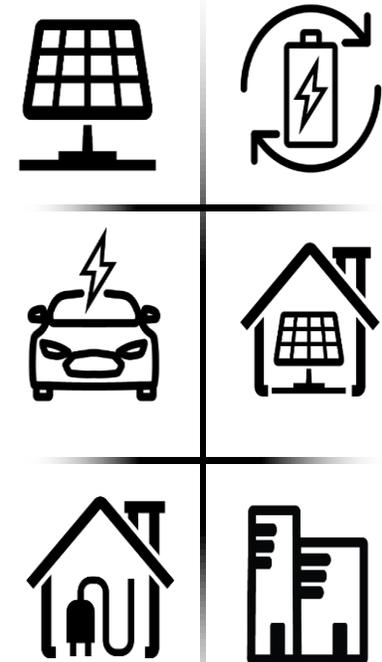
- 224,000 miles of distribution lines
- ~3,000 distribution substations



Strategic Priorities:

- Improved reliability, storm hardening and resilience
- Increased operational capabilities
- Prepare the grid for enhanced DER penetration and electrification
- Develop robust pipeline of capital investments
- Enhance ability to obtain timely cost recovery from regulators

Developing long-term plans to focus on improved reliability, resiliency and to prepare the grid for 2-way power systems, supported by detailed 5-year capital investment plans



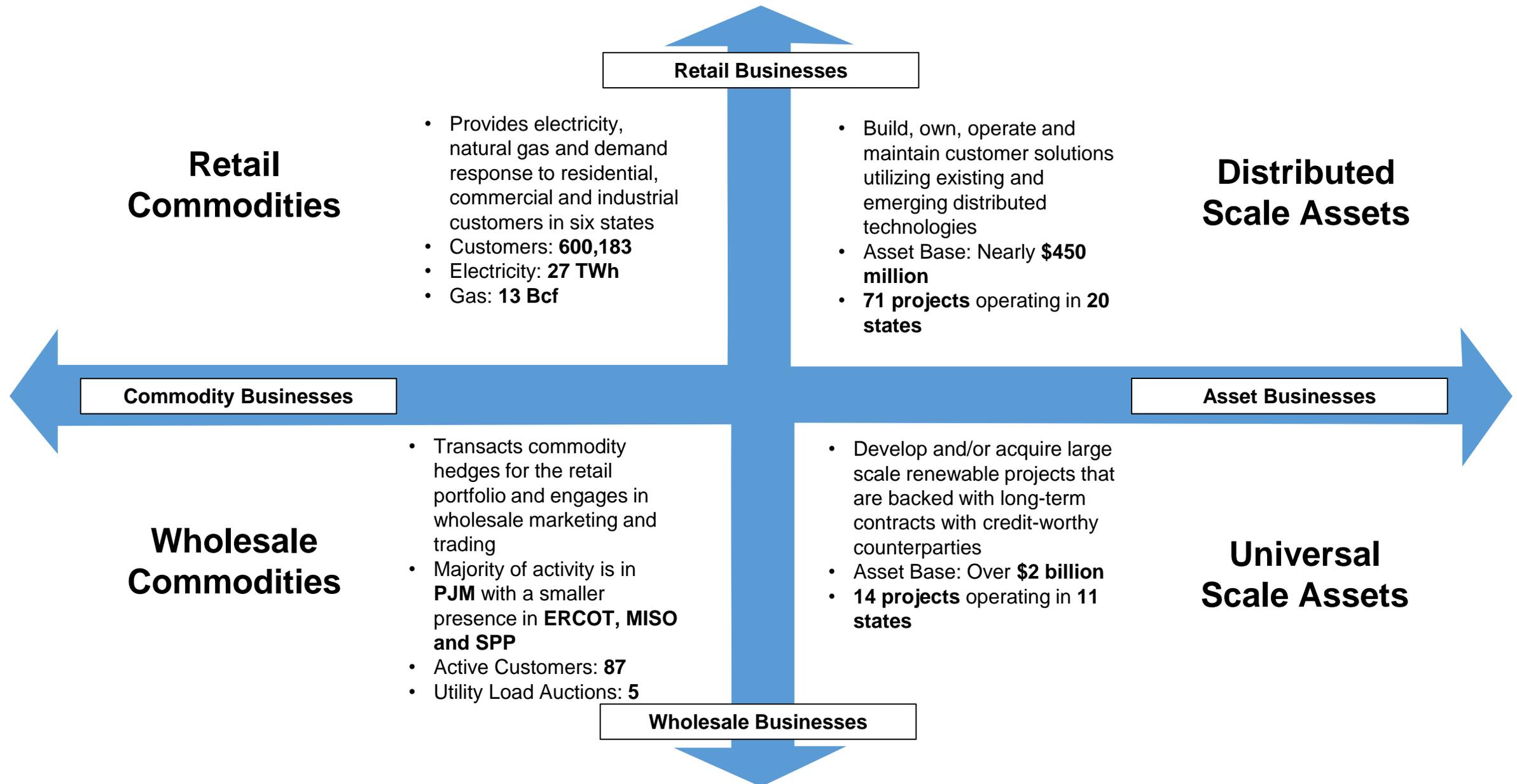
COMPETITIVE BUSINESS

- **Business Strategy and Operations**
- **Business Presence**
- **Development Pipeline and Existing Asset Initiatives**



Competitive Business Strategy and Operations

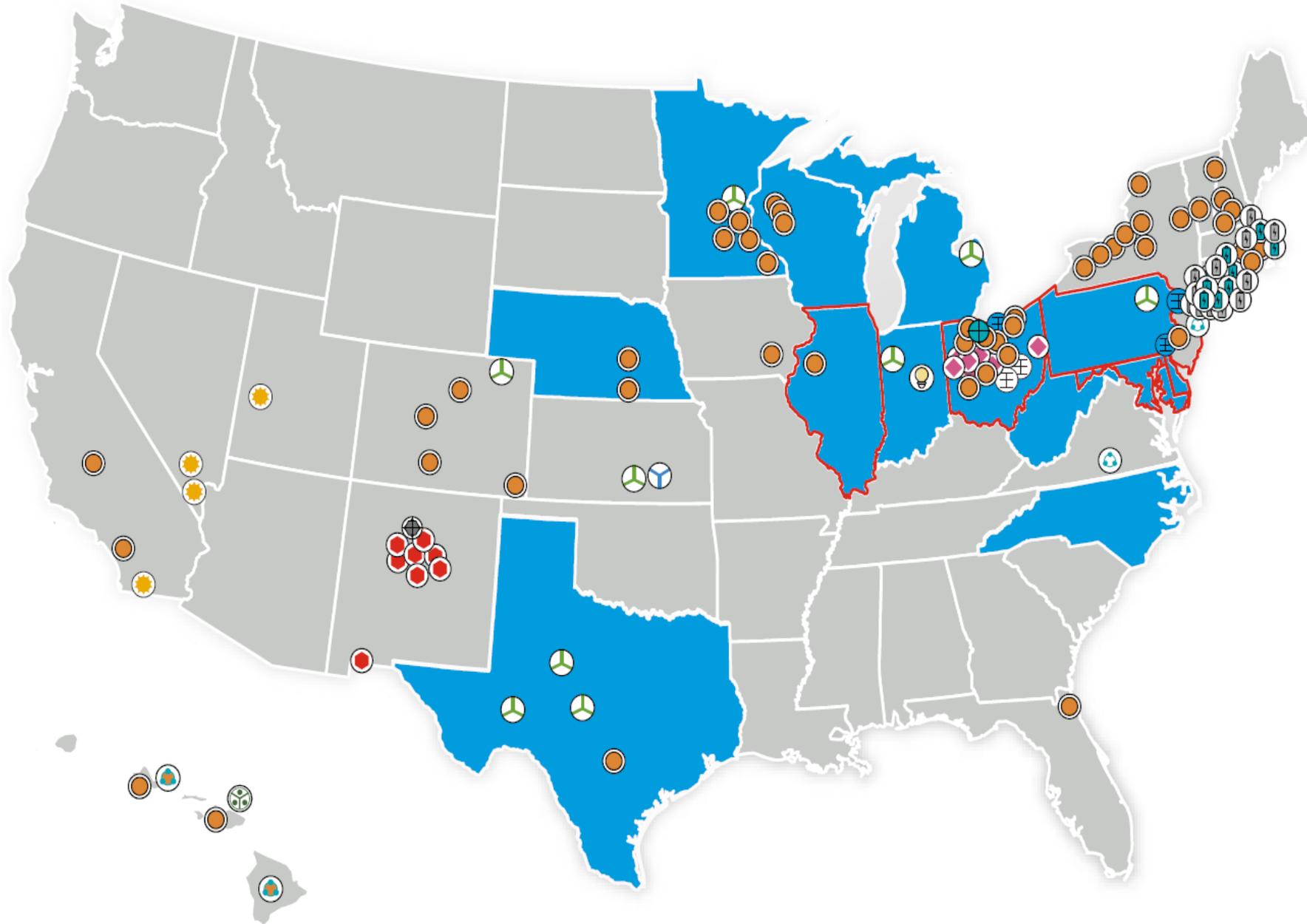
\$1.7B Capital Allocated 2022-2026



As of 9/30/2021

Competitive Business Presence

Active in 29 States (5 states overlap with AEP Utilities)



Universal Scale Assets

- Wind (Active) - 9 Sites | 1,290 MW
- Wind (Planned) - 1 Site | 128 MW
- Solar (Active) - 4 Sites | 207 MW
- Solar (Planned) - 0 Sites | 0 MW
- Wind/Storage (Active) - 1 Site | 17 MW

Distributed Scale Assets

- Solar (Active) - 51 Sites | 121 MW
- Solar (Planned) - 1 Site | 2 MW
- Fuel Cell (Planned) - 12 Sites | 5 MW
- Fuel Cell (Active) - 9 Sites | 5 MW
- Station (Active) - 7 Sites | 1075 MVA
- Station (Planned) - 0 Sites | 0 MVA
- Solar (Active) Joint Venture - 8 Sites | 89 MW
- Solar (Planned) Joint Venture - 1 Site | 34 MW
- Engine (Planned) - 2 Sites | 5 MW
- Engine (Active) - 3 Sites | 16 MW
- Energy Efficiency - 1 Site | NA
- Solar/Storage (Active) - 2 Sites | 1 MW
- Battery Energy Storage System (Planned) - 2 Sites | 20 MW

Retail Commodities

- Service Territory

Wholesale Commodities

- Service Territory

As of 9/30/2021

Development Pipeline and Existing Asset Investment Initiatives

Development Pipeline

Progress continues in our universal scale development portfolio with a majority of the efforts focused on wind in the mid continent and solar plus storage in the Midwest. These opportunities possess solid fundamentals and position us well to serve the growing interest from utilities, municipalities, cooperatives and corporates.

Our distributed generation development team continues to work with customers and partners who are seeking viable and valuable options to de-carbonize, improve resiliency and benefit from operating cost reductions.

Our ability to combine commodity and asset solutions is providing a growing opportunity set with customers looking for integrated solutions in a rapidly evolving carbon free marketplace. This remains a key strategic opportunity to provide customer value and grow our market share.

Existing Asset Initiatives

The Flat Ridge 3 Wind Project reached commercial operation in December 2021. The project has a long-term power agreement with Evergy for the entire energy output of 128 MW.

All four of the potential repower sites will be done earning production tax credits by the end of 2022. Work is underway to strategically evaluate the opportunity to repower the Cedar Creek 2 and Flat Ridge 2 wind projects.

If federal legislation re-inflates the production tax credits to 100%, there is the possibility to strategically evaluate the opportunity to repower the Fowler Ridge 2 and Mehoopany wind projects.