AEP First Quarter 2025 Earnings Presentation

May 6, 2025

AMERICAN ELECTRIC POWER

Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements. Words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “will,” “should,” “could,” “would,” “project,” “continue” and similar expressions, and include statements reflecting future results or guidance and statements of outlook are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. 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 economic impact of increased global conflicts and trade tensions, and the adoption or expansion of economic sanctions, tariffs, trade restrictions or changes in trade policy, inflationary or deflationary interest rate trends, new legislation adopted in the states in which we operate that alters the regulatory framework or that prevents the timely recovery of costs and investments, volatility and disruptions in financial markets precipitated by any cause, including fiscal and monetary policy, turmoil related to federal budget or debt ceiling matters or instability in the banking industry; 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, subsidiaries and tax credits and anticipated securitizations do not materialize or do not materialize at the level anticipated, and (ii) during periods when the time lag between incurring costs and recovery is long and the costs are material, changing demand for electricity including large load contractual commitments for interconnection, the risks and uncertainties associated with wildfires, including damages caused by wildfires, the extent of each Registrant’s liability in connection with wildfires, investigations and outcomes associated with legal proceedings, demand or similar actions, inability to recover wildfire costs through insurance or through rates and the impact on financial condition and the reputation of each Registrant, the impact of extreme weather conditions, natural disasters and catastrophic events such as storms, wildfires and drought conditions that pose significant risks including potential litigation and the inability to recover significant damages and restoration costs incurred, limitations or restrictions on the amounts and types of insurance available to cover losses that might arise in connection with natural disasters, wildfires or operations, the cost of fuel and its transportation, the creditworthiness and performance of parties who supply and transport fuel 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 generation (including from renewable sources), transmission lines and facilities (including the ability to obtain any necessary regulatory approvals and permits) to meet the demand for electricity at acceptable prices and terms, including favorable tax treatment, cost caps imposed by regulators and other operational commitments to regulatory commissions and customers for generation projects, and to recover all related costs, the disruption of AEP’s business operations due to impacts on economic or market conditions, costs of compliance with potential government regulations, electricity usage, supply chain issues, customers, service providers, vendors and suppliers caused by pandemics, natural disasters or other events, new legislation, litigation or government regulation, including changes to tax laws and regulations, oversight of nuclear generation, energy commodity trading and new or modified requirements related to emissions of sulfur, nitrogen, mercury, carbon, soot or particulate matter and other substances that could impact the continued operation, cost recovery and/or profitability of generation plants and related assets, the impact of federal tax legislation , including potential changes to existing tax incentives, on results of operations, financial condition, cash flows or credit ratings, the risks before, during and after generation of electricity associated with the fuels used or the byproducts and wastes of such fuels, including coal ash and spent nuclear fuel, timing and resolution of pending and future rate cases, negotiations and other regulatory decisions, including rate or other recovery of new investments in generation, distribution and transmission service and environmental compliance, resolution of litigation or regulatory proceedings or investigation, the ability to efficiently manage and recover operation, maintenance and development project 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, the impact of changing expectations and demands of customers, regulators, investors and stakeholders, including development, adoption and use of artificial intelligence by us, our customers, and our third party vendors and evolving expectations related to environmental, social and governance concerns, 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, OPEB and nuclear decommissioning trust fund and a captive insurance entity and the impact of such volatility on future funding requirements, accounting standards periodically issued by accounting standard-setting bodies, other risks and unforeseen events, including wars and military conflicts, the effects of terrorism (including increased security costs), embargoes, cybersecurity threats, labor strikes impacting material supply chains, global information technology disruptions and other catastrophic events, the ability to attract and retain requisite work force and key personnel. Forward-looking statements in this document are presented as of the date of this document. Except to the extent required by applicable law, management undertakes no obligation to update or revise any forward-looking statement.

Darcy Reese, Vice President

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

Annie Pribisko, Director

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

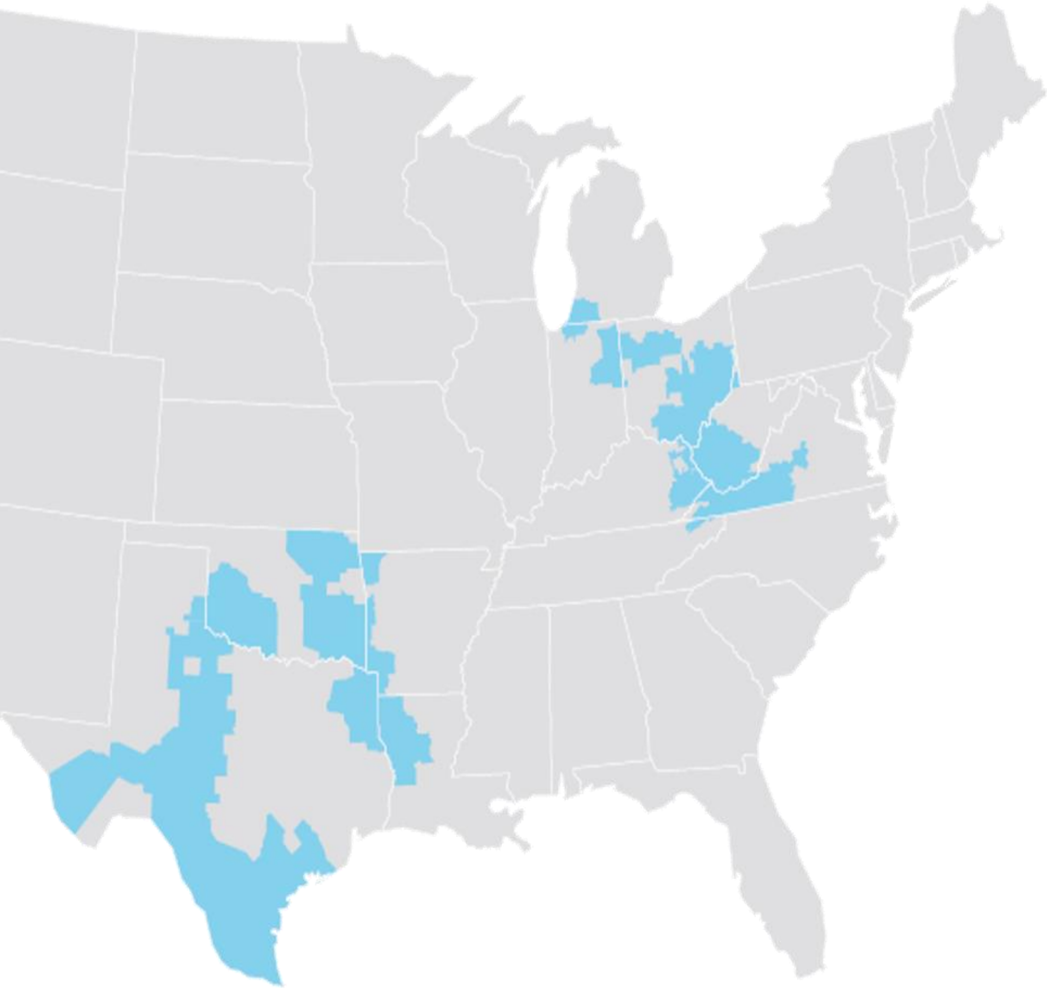
Non-GAAP Financial Measures

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 (non-GAAP). Operating earnings exclude 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 capital and operating leases, pension, capitalized interest, adjustments related to hybrid debt, deferred fuel 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 first quarter of 2025, the estimated earnings per share on a GAAP basis would be $5.71 to $5.91 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.

Attractive Footprint Across High-Growth Regions



~10%-12%
TOTAL SHAREHOLDER RETURN

Targeted long-term EPS growth of 6%-8% and dividend yield of ~4%

$54B
2025-2029 CAPITAL FORECAST

No incremental equity needed to fund this plan

95%
REGULATED ELECTRIC UTILITY[2]

Pure-play, integrated platform

55%
OF OPERATING EARNINGS FROM TRANSMISSION[1]

High growth transmission supported by predictable revenues

40K
TRANSMISSION MILES

Highest voltage, longest reach, strongest transmission network in the U.S.

29GW
TOTAL GENERATION

Diverse generation fleet
As of March 31, 2025

~8%
RATE BASE CAGR

Solid rate base growth target through 2029 forecast off of 2023 base

225K
DISTRIBUTION MILES

One of the largest distribution systems in the U.S.

5.6M
CUSTOMERS

Throughout 11 states

Committed to financial strength supported by robust growth, customer service through innovation and achieving positive outcomes with regulatory integrity.

[1] Includes AEP Transmission Holdco and transmission investments in AEP operating companies. Calculated using 2025E transmission earnings of $3.20 as a percentage of the 2025 guidance midpoint of $5.85.
[2] Calculated using 2025E Generation & Marketing earnings of $0.27 as a percentage of the 2025 operating earnings guidance midpoint of $5.85.

First Quarter 2025 Business Highlights

- **Derisked the financing plan** by completing all AEP's anticipated equity needs[1] for the base 5-year $54B capital plan through the $2.3B equity sale (including greenshoe) to be settled under a forward contract by 12/31/2026 and the expected $2.82B minority interest transmission transaction close.
- **Executing on AEP's unprecedented 5-year capital plan** of $54B with potential for incremental investments of up to $10B. Capital plan is close in size to AEP's current market capitalization.
- **Delivering significant load growth** driven by 12.3% increase in the commercial sector over Q1 last year. Load growth expected of 20 GW through the end of the decade fueled by data center and industrial demand and backed by signed customer financial commitments; areas of high growth include Indiana, Ohio, Oklahoma and Texas.
- **Meeting robust customer energy needs** with the Arkansas and Indiana Integrated Resource Plans filed in Q1 2025 and Indiana's 870 MW natural gas plant filed for regulatory approval in April 2025. Generation RFPs are in process at APCo, I&M and PSO.
- **Setting a strong foundation** for successful regulatory outcomes with approximately 80% of the rate-related revenue for 2025 already secured or secured-like[2]. Current base rate cases in progress include Arkansas and West Virginia.

Financial Updates

- Completed all anticipated equity needs[1] through 2029 in support of the base $54 billion capital plan
- Reporting strong Q1 2025 operating earnings results of $1.54 per share
- Reaffirming 2025 operating earnings guidance range of $5.75-$5.95 per share and long-term growth rate of 6%-8%
- Reaffirming FFO/Debt targeted range of 14%-15%

[1] Assumes the continuation of the Dividend Reinvestment Plan (DRP) of up to $100M per year.
[2] Secured-like refers to rate mechanisms that are administrative in nature.

Key Achievements Drive Growth

All Anticipated Equity Needs Completed[1]

through the $2.3B equity sale and the expected $2.82B minority interest transmission transaction close

765 kV Transmission Line

Recent Key Regulatory Successes

- ERCOT Permian Basin 765 kV transmission project approved for AEP Texas
- PJM transmission system upgrades awarded to Transource Energy and AEP Transcos
- System resiliency plans approved at AEP Texas and unanimous settlement reached at SWEPCO Texas
- Base cases approved in Oklahoma and Virginia
- Recovery of annual transmission expense approved in Kentucky
- Large load tariffs approved in Indiana, Kentucky and West Virginia

20+ GW[2] of Load Growth

through the end of the decade fueled by data center and industrial demand backed by customer commitments; represents approximately 55% increase compared to 2024 system wide summer peak load

$54B Base Capital Plan

through 2029 with up to $10B of incremental investments; minimal direct exposure to tariffs of approximately 0.3%

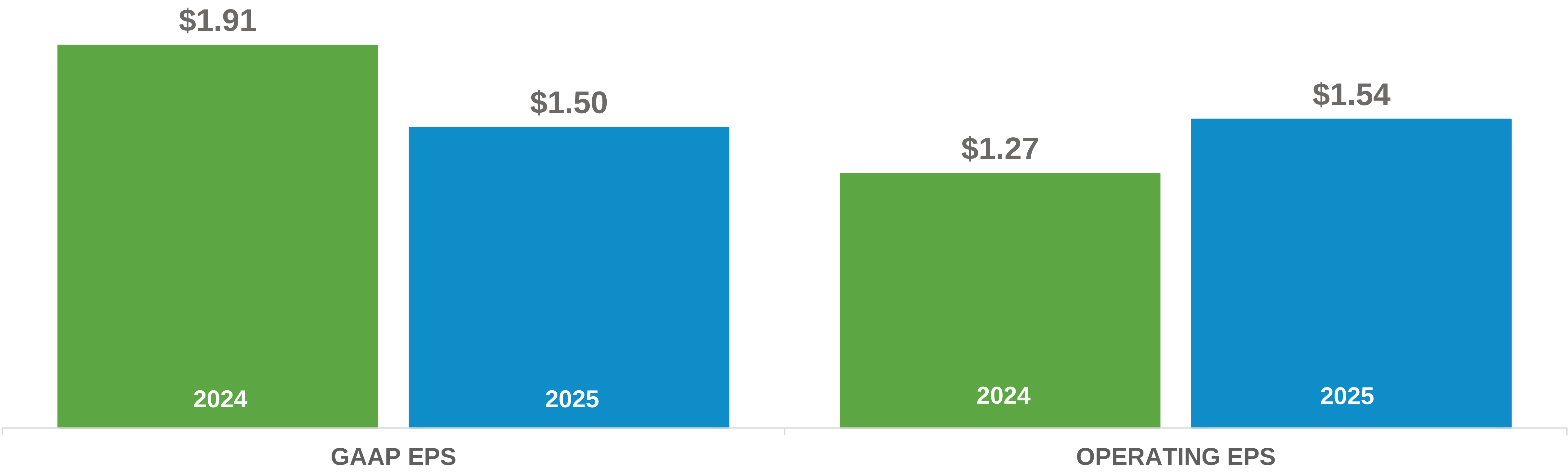
AWS announced $11B Data Center investment in New Carlisle, IN

I&M filed for regulatory approval to acquire 870 MW Natural Gas Plant in Oregon, OH

[1] Assumes the continuation of the DRP of up to $100M per year.

[2] Management's load growth expectations are based on underlying economic and demographic trends. Commercial load, driven by growth in energy intensive subsectors such as AI driven data center demand, is anticipated to be the largest component of retail load growth. Forecasted data center demand growth is supported by letters of agreement or energy service agreements with existing and future customers, which are subject to certain terms and conditions.

First Quarter 2025 Financial Update

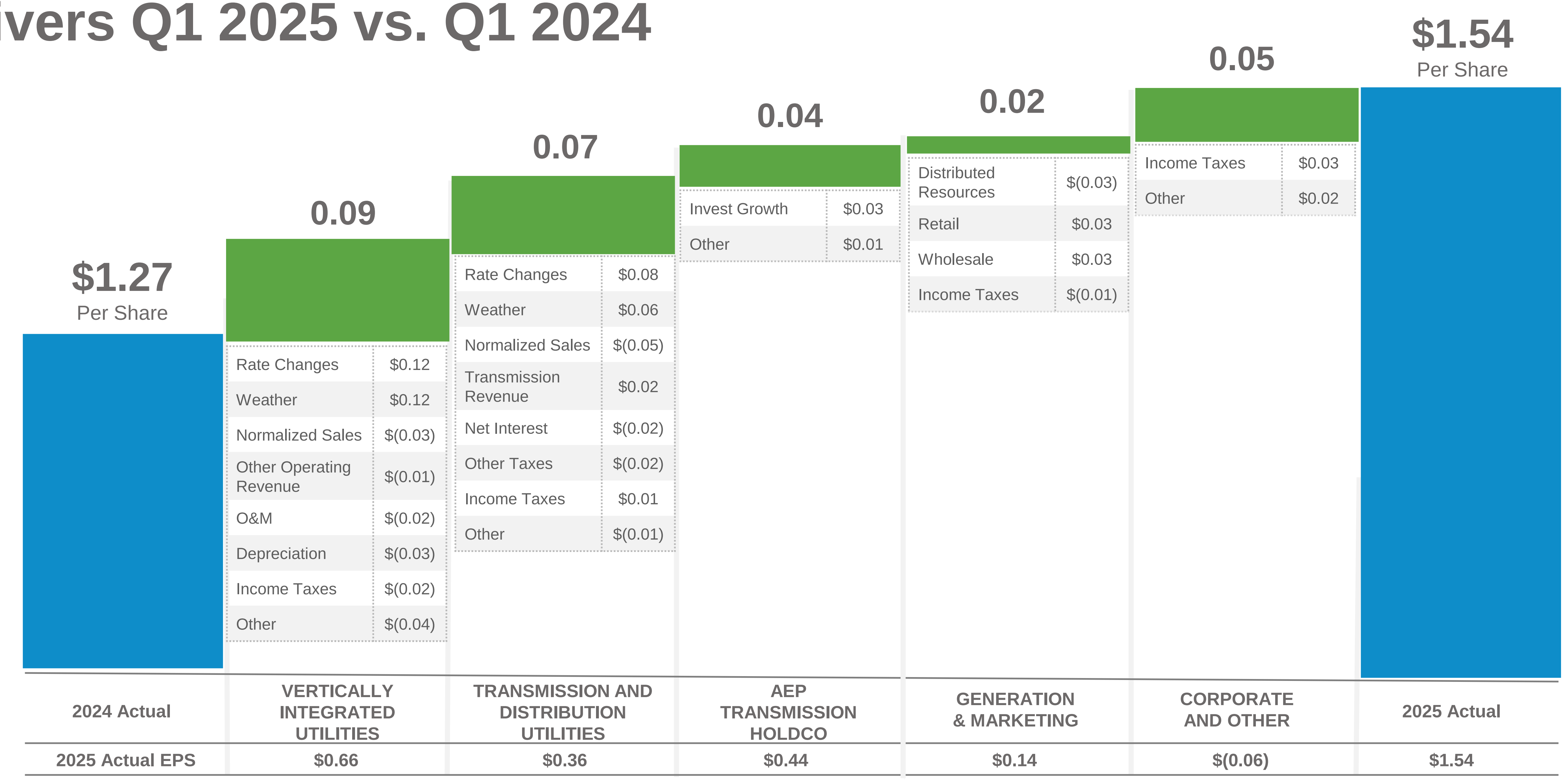


Delivered solid earnings performance

- Delivered GAAP earnings of $1.50 per share or $800M for Q1 2025
- Delivered operating earnings of $1.54 per share or $823M for Q1 2025

Operating Earnings Segment Detail

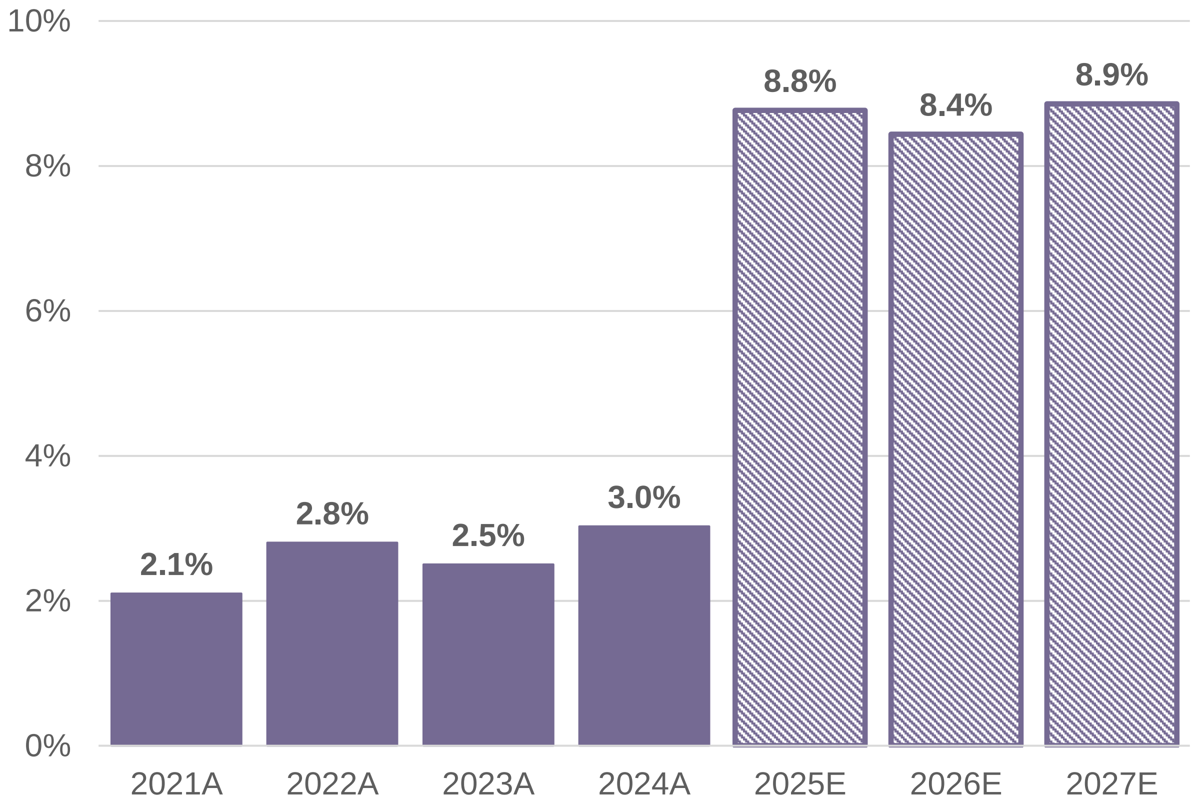
Key Drivers Q1 2025 vs. Q1 2024



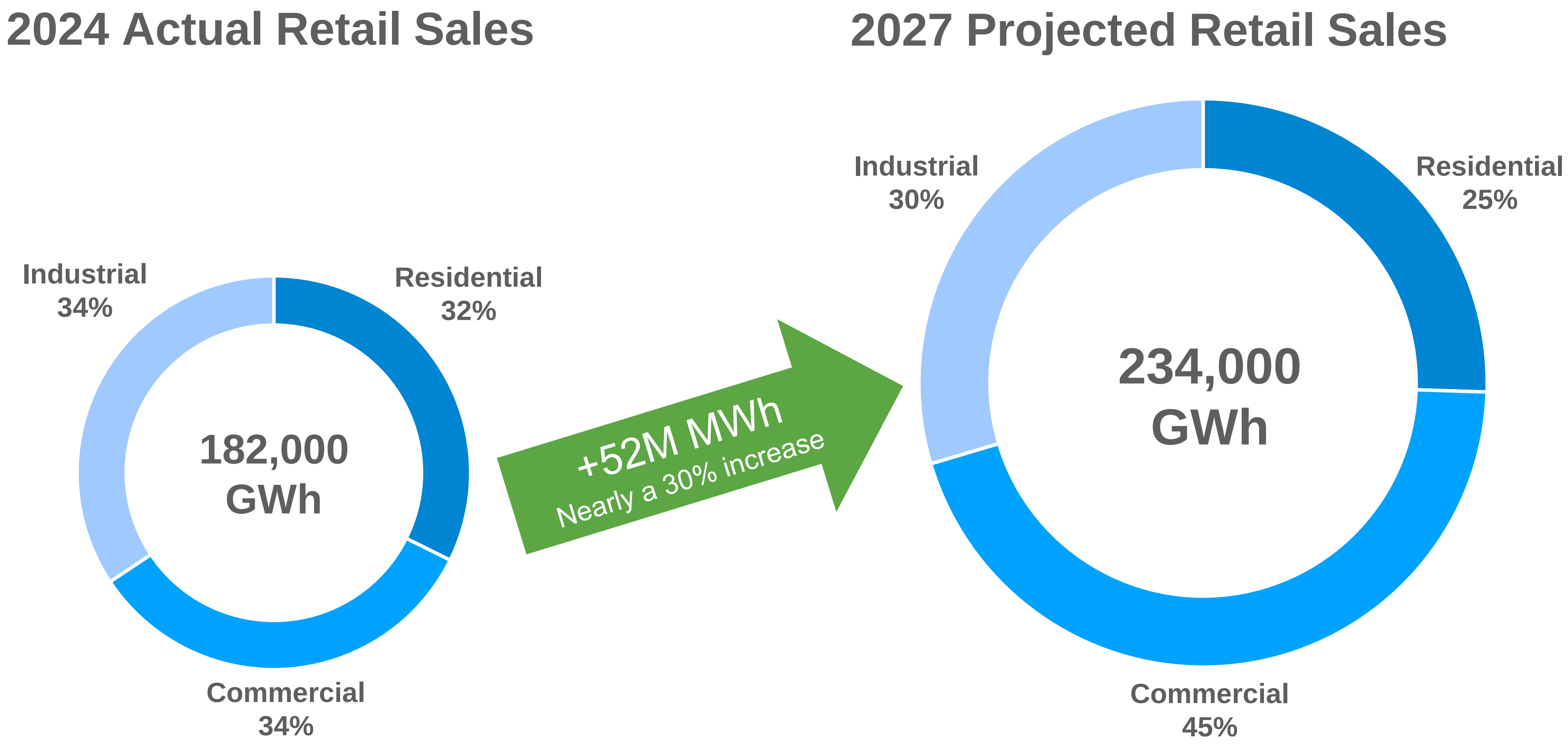
Strong performance across all segments provides a solid foundation for full-year earnings.

Attractive Growth Opportunities

Normalized Total Retail GWh Sales % Change vs. Prior Year



Retail Sales Growth



Annual retail load growth of 8%-9% in the 2025-2027 forecast period will add more than 52 million MWh to retail sales, driven by economic development.

Refer to Appendix I for more details related to AEP's total retail load outlook, including residential, industrial and commercial load.

Demonstrated Diverse Customer Demand

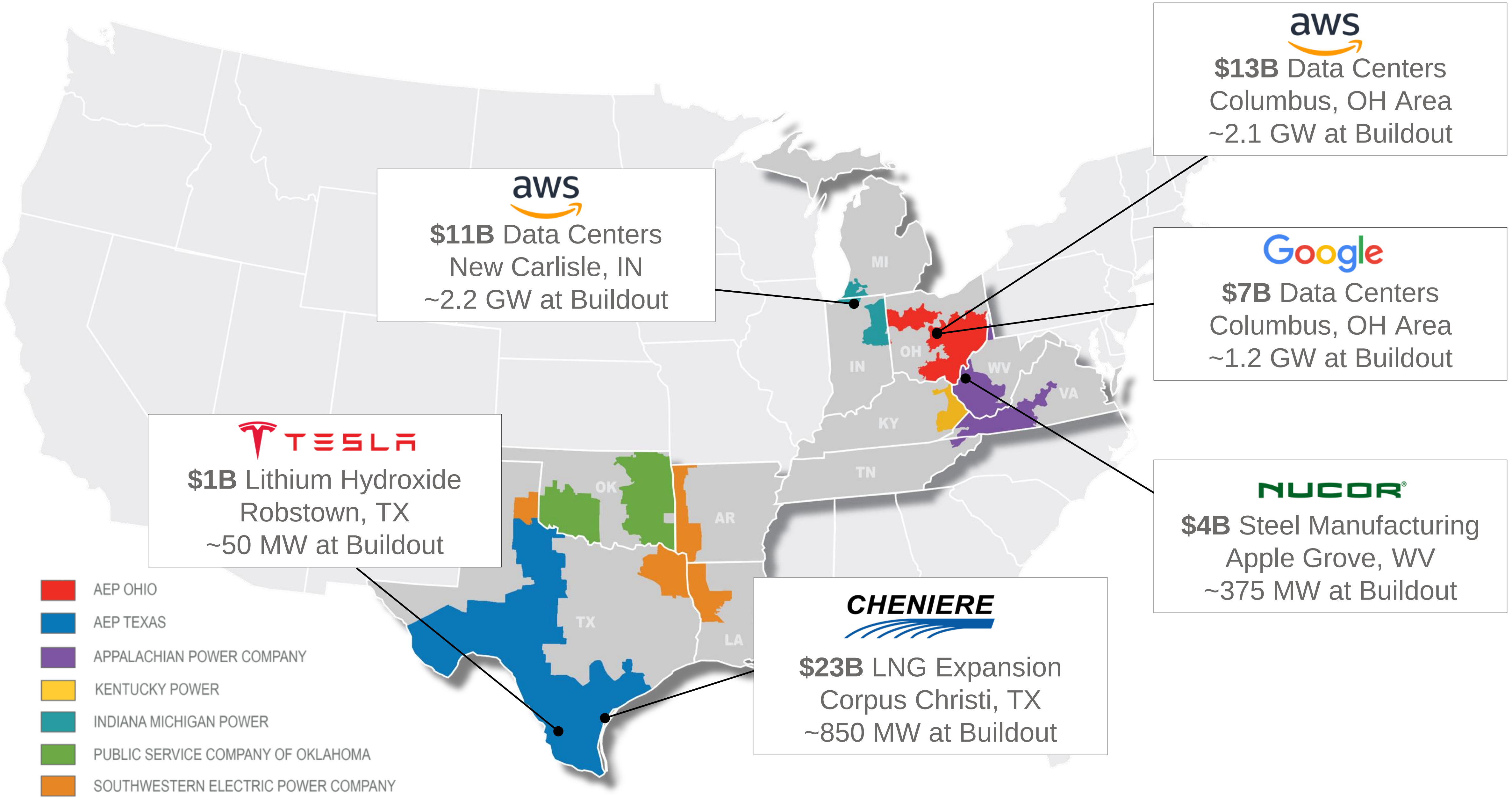
Nearly **180 GW** in Interconnection Queue

Load Growth Summary 2025-2029

20+ GW[2] in Load Forecast

Backed by Signed ESAs and LOAs

13 GW Data Centers	6 GW Industrial	2 GW Other



Economic development is at the core of AEP's growth strategy, driving significant capital investments while supporting affordability. Nearly 180 GW in the interconnection queue provides flexibility to fluctuations in customer demand.

[1] Companies shown in the graph do not reflect all projects included in the load forecast.

[2] Management's load growth expectations are based on underlying economic and demographic trends. Commercial load, driven by growth in energy intensive subsectors such as AI driven data center demand, is anticipated to be the largest component of retail load growth. Forecasted data center demand growth is supported by letters of agreement or energy service agreements with existing and future customers, which are subject to certain terms and conditions.

Liquidity and Credit Metrics

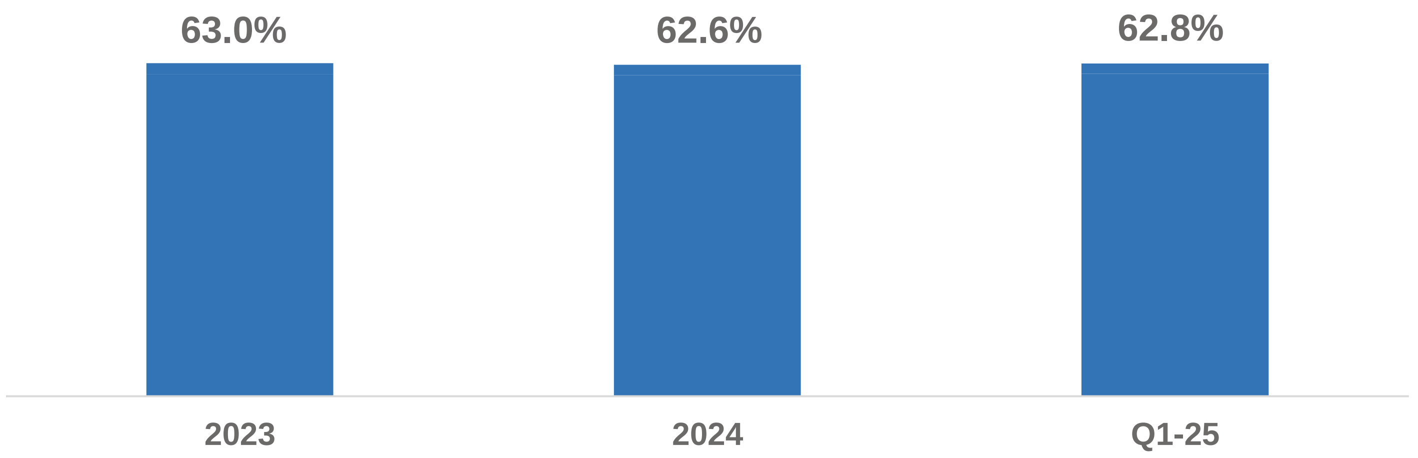
LIQUIDITY SUMMARY 3/31/2025

($ in millions)	Amount	Maturity
Revolving Credit Facility	$ 5,000	March 2029
Revolving Credit Facility	1,000	March 2027
Plus		
Cash and Cash Equivalents	257	
Less		
Commercial Paper Outstanding	(2,438)	
Net Available Liquidity	**$ 3,819**	

FFO/DEBT TRAILING 12 MONTHS

FFO/Debt as of 3/31/2025 *(The expected minority interest transmission transaction is credit accretive by 40-60 bps upon close in 2H 2025)*	13.2%
Targeted Range	14%-15%
Moody's Downgrade Threshold	13% Sustained

TOTAL DEBT/TOTAL CAPITALIZATION



Well-positioned balance sheet provides financial flexibility to optimize capital growth.

See Appendix 2 for FFO/Debt calculation. Moody's view as calculated by AEP and may not include all adjustments that could be made by the rating agency.

Closing Remarks

1. Derisked financial plan through the pending $2.82B minority interest transmission transaction and $2.3B equity sale

2. Delivered strong Q1 2025 financial performance; positive regulatory developments are setting a strong foundation for constructive outcomes

3. Highlighted the 8%-9% annual retail load growth forecasted for 2025-2027, supporting the long-term EPS growth rate of 6%-8%

4. Continued execution on AEP's unprecedented 5-year capital plan of $54B with additional incremental investments of up to $10B

APPENDIX 1

Regulatory, Financial Strength and Growth

2025 Regulatory Successes Pave the Way

Regulatory Wins: Infrastructure

- ✓ **February 2025:** PJM awarded AEP affiliates with $1.7B in transmission upgrades incremental to the $54B base plan, with $1.1B advanced through Transource Energy and $600M advanced through AEP Transcos
- ✓ **March 2025:** Unanimous settlement reached for SWEPCO Texas System Resiliency Plan for $180M of investments to be spent over 3 years
- ✓ **April 2025:** AEP Texas System Resiliency Plan settlement was approved supporting the implementation of $318M in grid resiliency over 3 years
- ✓ **April 2025:** AEP Texas was approved for an ERCOT Permian Basin 765 kV transmission project, incremental to the $54B base plan

Regulatory Wins: Cost Recovery

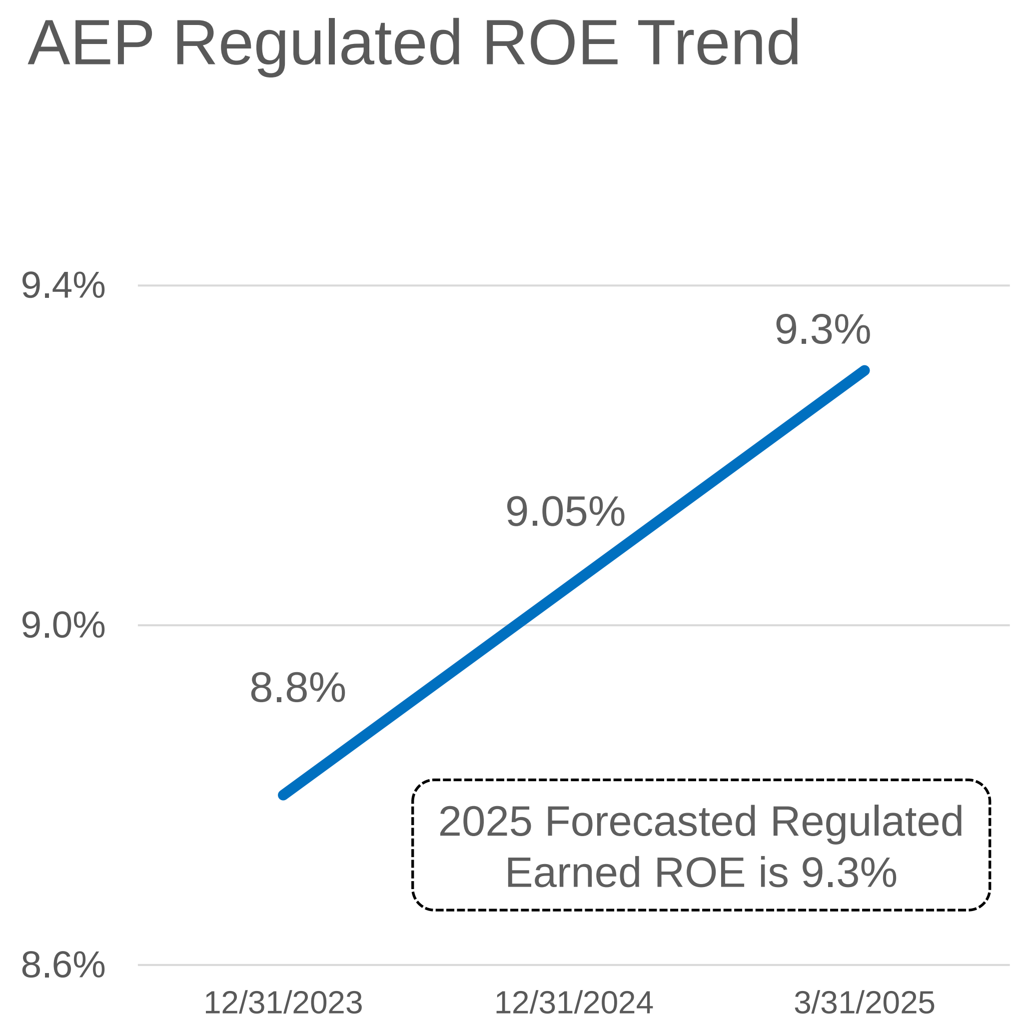
- ✓ **February 2025:** KPCo's appeal to recover the annual transmission expense of $14M was approved
- ✓ **March 2025:** PSO's 2023 fuel cost of $554M was deemed prudent; new fuel factor was approved and provided recovery of $141M deferred fuel balance as of 3/31/2025
- ✓ **April 2025:** SWEPCO Texas reached a settlement approving 2022 and 2023 fuel and purchase power costs of $529M

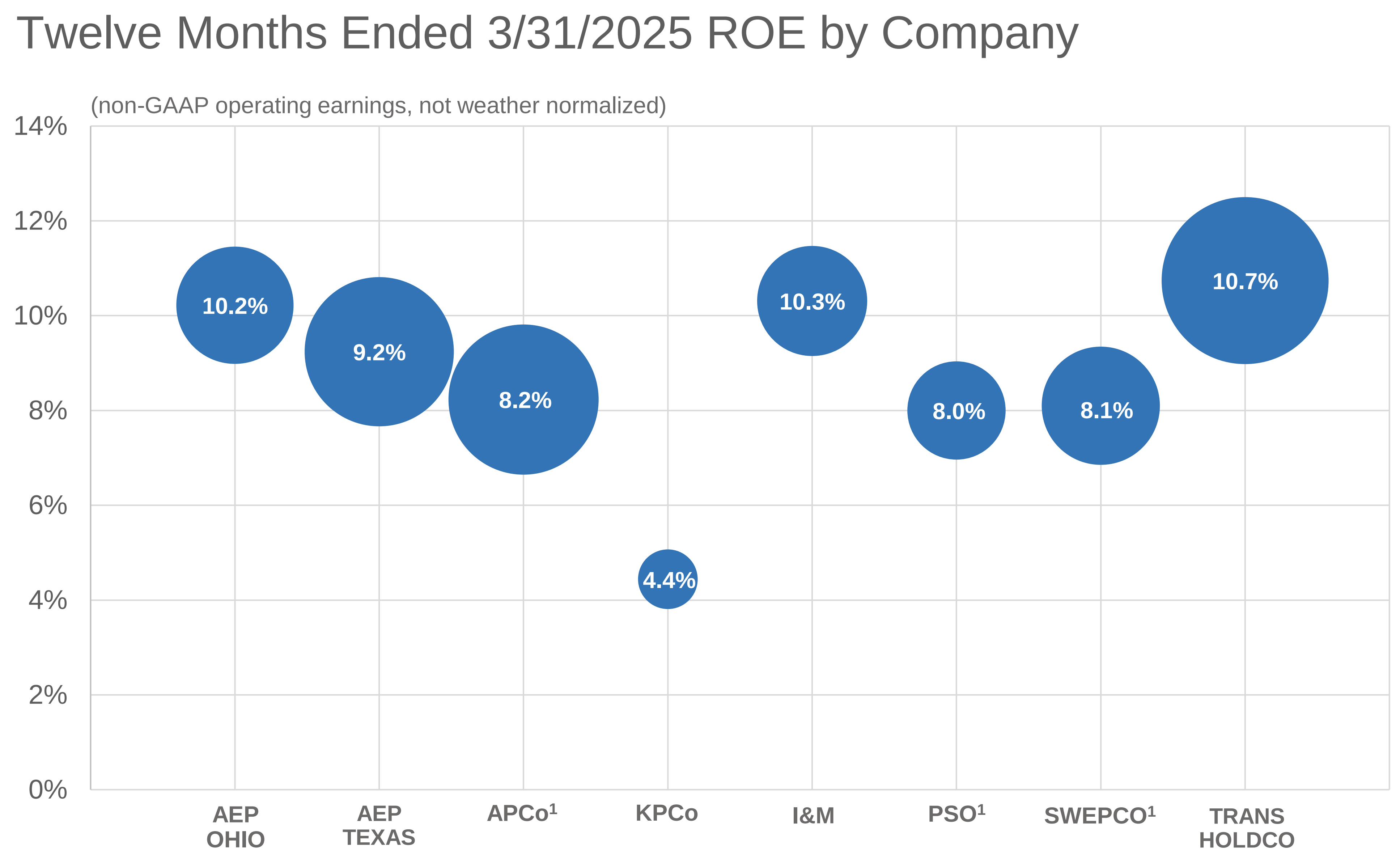
Regulatory Wins: Customer Affordability

- ✓ **February 2025:** I&M's large load tariff filed in Indiana was approved
- ✓ **March 2025:** APCo's large load tariff filed in West Virginia was approved
- ✓ **March 2025:** KPCo's large load tariff was approved
- ✓ **March 2025:** APCo successfully obtained Virginia legislation to pursue securitization
- ✓ **April 2025**: KPCo's amendments to the securitization financing order were approved and proceeds are expected in Q2 2025

Regulated Earned Returns

Regulated Earned ROE was 9.3% as of twelve months ended 3/31/2025, demonstrating continuous improvement





[1] Base rate cases pending/order recently received.
Sphere size is based on each company's relative equity balance.

Current Rate Case Activity

Achieve positive regulatory outcomes to advance affordability, system reliability, resiliency and security

APCo – Virginia

Docket #	PUR-2024-00024
Filing Date	3/29/2024
Requested Rate Base	$3.2B
Requested ROE	10.8%
Cap Structure	51.3%D / 48.7%E
Gross Revenue Increase	$78M (Less $31M non earnings adj on veg mgt and gen consumables exp)
Net Revenue Increase	$47M
Test Year	12/31/2023
Commission Order Summary	
Commission Order	11/20/2024
Effective Date	1/1/2025
ROE	9.75%
Cap Structure	51.8%D / 48.2%E
Net Revenue Increase	$10M

APCo – West Virginia[1]

Docket #	24-0854-E-42T
Filing Date	11/1/2024
Requested Rate Base	$5.3B
Requested ROE	10.8%
Cap Structure	52.3%D / 47.7%E
Gross Revenue Increase	$250M (Less $62M D&A)
Net Revenue Increase	$188M
Test Year	12/31/2023
Procedural Schedule	
Rebuttal Testimony	5/23/2025
Hearing	6/17/2025
Expected Commission Order and Effective Date	Q3-25

PSO - Oklahoma

Docket #	PUD 2023-000086
Filing Date	1/31/2024
Requested Rate Base	$4.5B
Requested ROE	10.8%
Cap Structure	48.9%D / 51.1%E
Gross Revenue Increase	$185M (Less $55M D&A)
Net Revenue Increase	$130M
Test Year	8/31/2023
Commission Order Summary	
Commission Order	1/15/2025
Effective Date	10/23/2024
ROE	9.5%
Cap Structure	48.9%D / 51.1%E
Net Revenue Increase	$70M

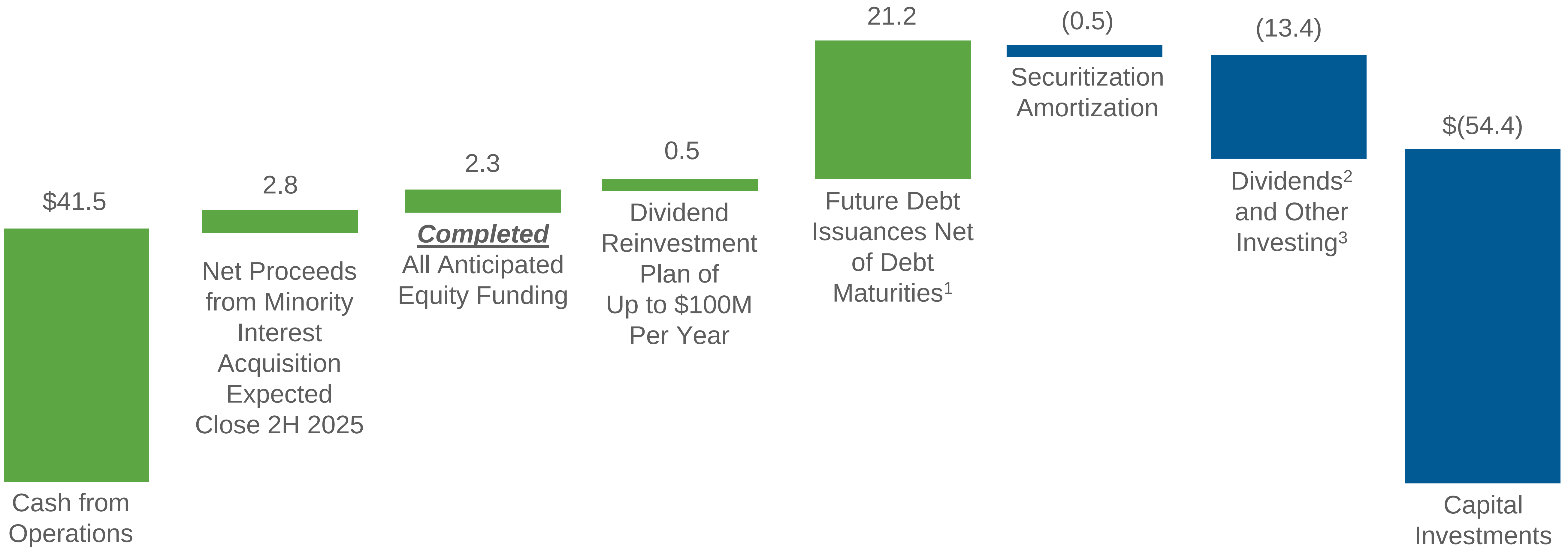
SWEPCO – Arkansas

Docket #	25-003-U
Filing Date	3/28/2025
Requested Rate Base	$2.2B
Requested ROE	10.9%
Cap Structure	52.3%D / 47.7%E
Gross Revenue Increase	$114M (Less $18M D&A)
Net Revenue Increase	$96M
Test Year	12/31/2024[2]

[1] Filing also included a securitization option for customer rate mitigation.
[2] Filing allows for adjustments to expected capital additions through 12/31/2025.

2025-2029 Financing Plan De-risked

($ in billions)



Completed all anticipated equity needs[1] for the base 5-year $54 billion capital plan supported by the equity sale and the minority interest transaction.

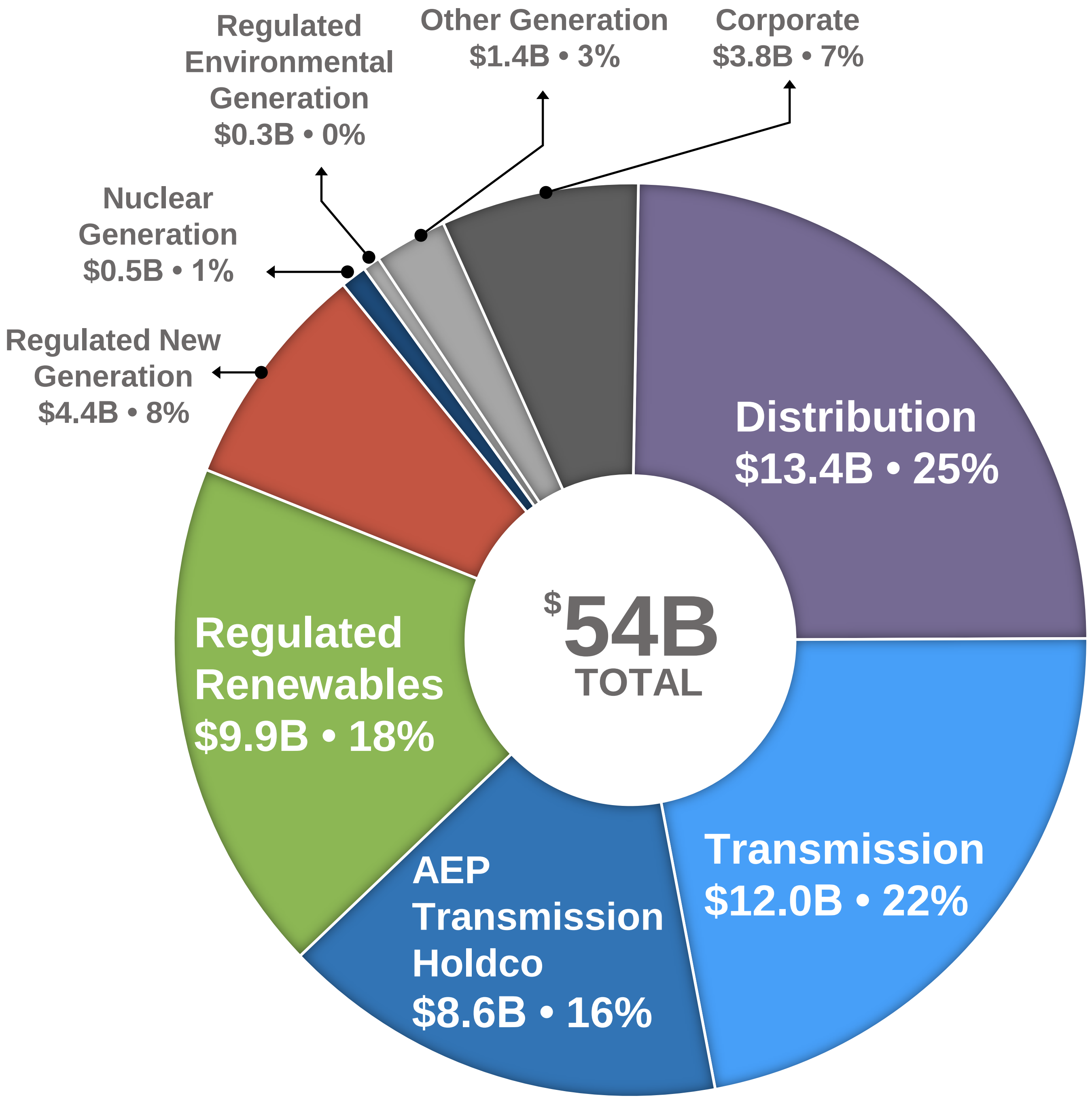
[1] Could include equity-like instruments.
[2] Subject to approval by the Board of Directors. The stated target payout ratio range is 55%-65% of operating earnings.
[3] Other Investing mainly relates to AFUDC and timing of nuclear fuel acquisitions.
Actual cash flows will vary by company and jurisdiction based on regulatory outcomes.

2025-2029 Capital Forecast of $54B

The ability to quickly redeploy transmission and distribution investments ensures we deliver on our EPS growth goals while mitigating customer bill impact

On a system average, we expect rates to go up by less than 3% annually over the forecasted period

Executing a balanced, flexible and robust capital plan to meet customer needs; approximately 85% of the capital plan being recovered through reduced lag mechanisms



100% of capital allocated to regulated businesses

$34B 63% allocated to wires

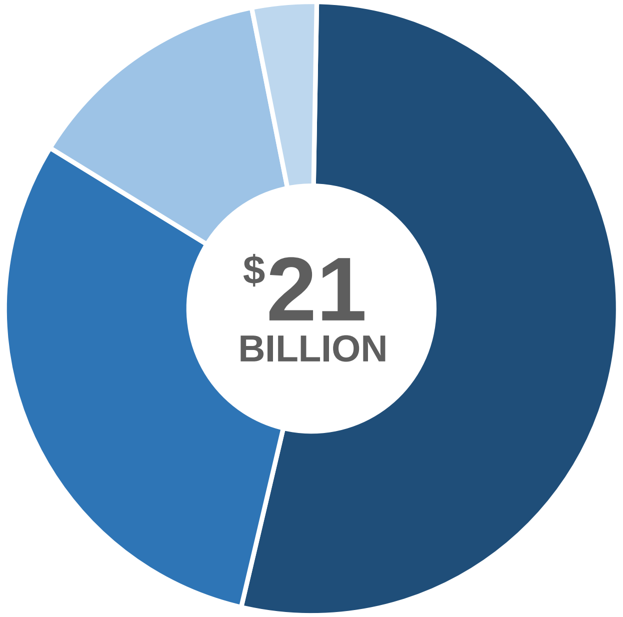
$14B 26% allocated to regulated new generation including renewables

~8% resulting rate base CAGR

2025-2029 Capital Forecast: Transmission

Strengthening the electric transmission grid and meeting robust demand while focusing on improved system performance, increased reliability and resiliency, and security

2025-2029 CAPEX



DRIVERS

ASSET REPLACEMENT	Asset renewal investments based on condition, performance and risk to reduce customer outages and interruption times
GROWTH	New customer connections and system upgrades to facilitate load growth primarily in Indiana, Ohio, Oklahoma and Texas
RELIABILITY	Multi-driver projects on the local network addressing reliability and customer concerns
TELECOM / TECHNOLOGY	Asset health monitoring, cyber-security requirements and enhanced situational awareness for grid operations

Transmission Investment

Robust Pipeline
We see opportunities to capture incremental transmission investment above the current 5-year plan; we also have an ongoing transmission investment pipeline in early development beyond 2029

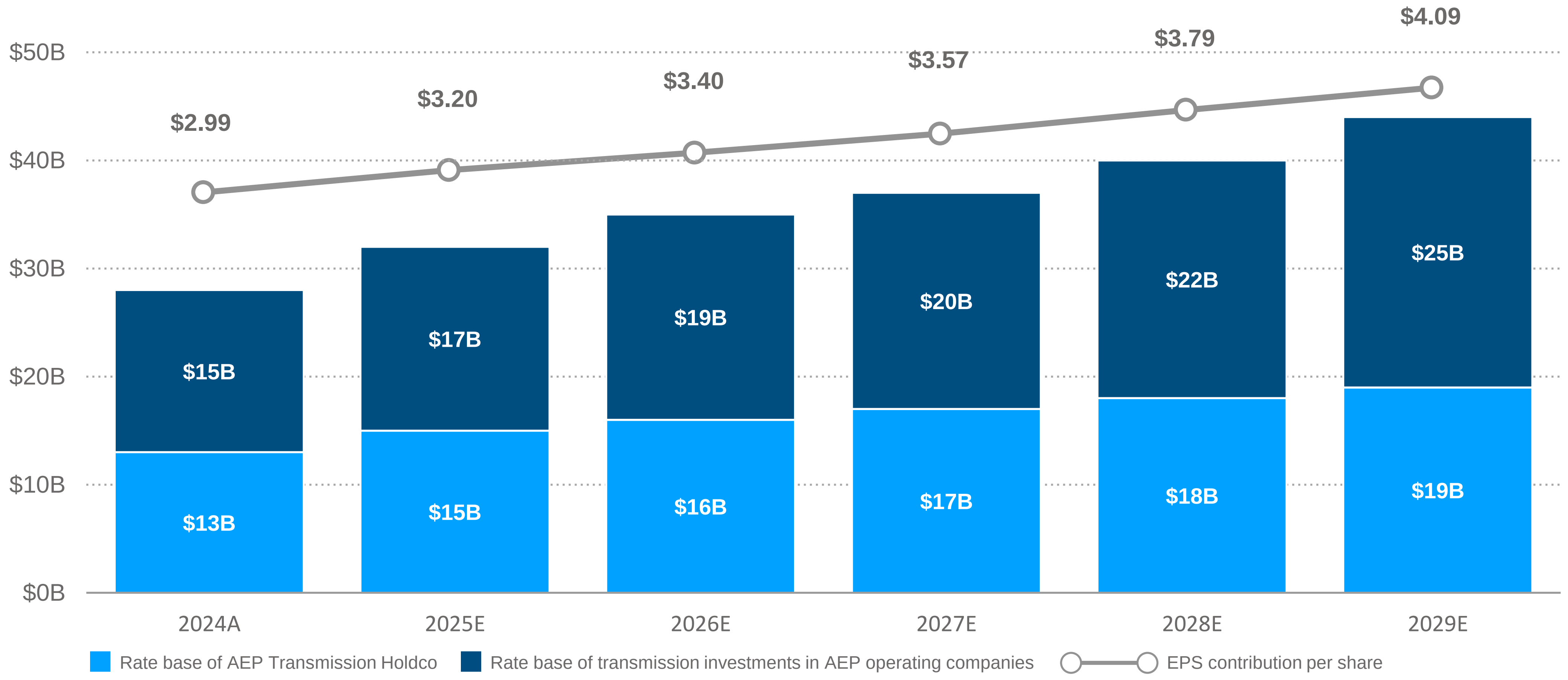
Asset Renewal Investments
$2B of annual on-system capital investment is currently required to maintain existing age profile

Future Growth Drivers
Reliability needs, load growth and transformation of the grid is driving additional capital investment needs

Transmission Delivering Significant Shareholder Value

2025E transmission investment represents 55% of total AEP earnings, calculated using the 2025 guidance midpoint of $5.85

Transmission Rate Base and Operating Earnings Per Share



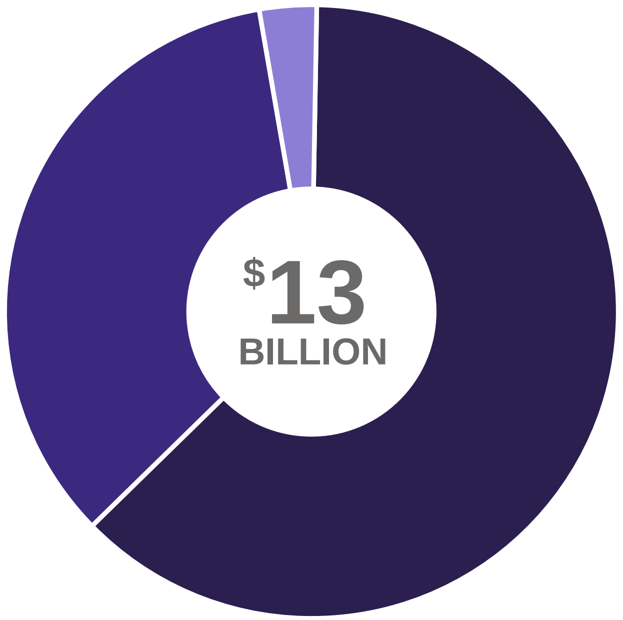
EPS Contributions ($/Share)

	2024A	2025E	2026E	2027E	2028E	2029E
AEP Transmission Holdco	$1.51	$1.54	$1.62	$1.69	$1.79	$1.89
Transmission Investments in AEP Operating Companies	$1.48	$1.66	$1.78	$1.88	$2.00	$2.20

2025-2029 Capital Forecast: Distribution

Modernizing the electric distribution system to address increased needs and enhance customer satisfaction

2025-2029 CAPEX



DRIVERS

RELIABILITY, RESILIENCY & AUTOMATION — Asset renewal and reliability investments including pole, conductor, cutout, station transformer and breaker replacements and automated technology

GROWTH — Investments for new service, upgrades, relocation

RESTORATION — Storm restoration work to meet service obligations

Distribution Investment

Robust Pipeline
Significant capital investment opportunity exists to renew the distribution system, improve reliability and resiliency, and expand operational capabilities to accommodate increased system needs

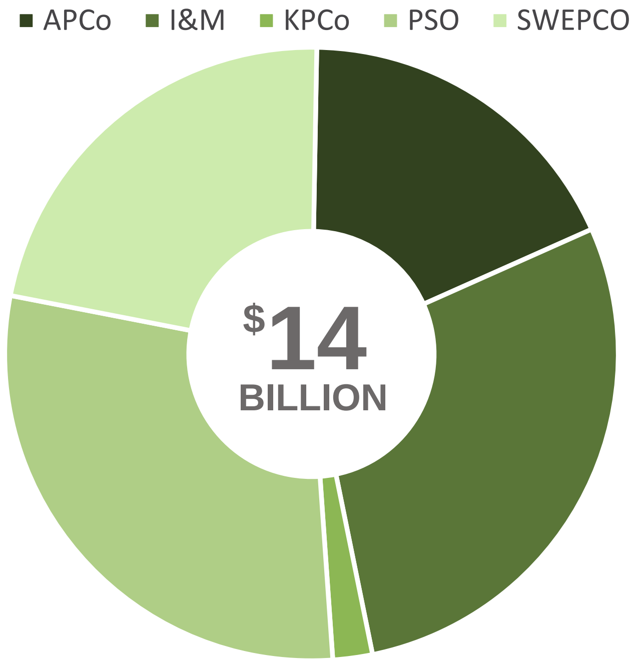
Asset Renewal Investments
$2B of annual on-system capital investment is currently required to maintain existing age profile

Future Growth Drivers
Electrification, higher penetration levels of distributed resources and projects to support customer growth will drive additional distribution investment opportunities

2025-2029 Capital Forecast: New Generation

Diversifying electric generation to support resource adequacy and affordability

2025-2029 CAPEX



2025-2034[1] RESOURCE NEEDS

GENERATION ADDITIONS 2025-2034 (MW)[1,2]	SOLAR	WIND	STORAGE	NAT. GAS[3]	TOTAL
APCo	1,505	1,244	325	-	**3,074**
I&M	2,820	2,700	50	6,690	**12,260**
KPCo	-	-	-	1,100	**1,100**
PSO	893	753	200	1,215	**3,061**
SWEPCO	600	598	-	3,113	**4,311**
TOTAL	**5,818**	**5,295**	**575**	**12,118**	**23,806**

[1] Resource additions are from Integrated Resource Plans (IRP) filings.

[2] Investments in new generation resources will be subject to market availability of economic projects, regulatory preferences and approvals and RTO capacity requirements.

[3] Natural gas additions may include peaking units and fuel switching to provide reliable, affordable and flexible power.

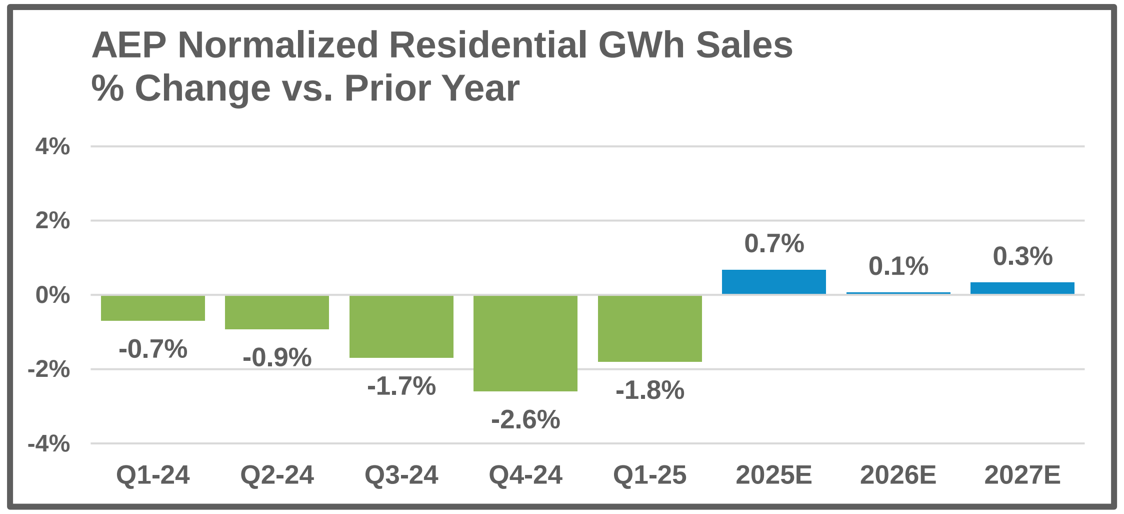
[4] RFPs represent up-to MW capacity values; related regulatory filings will take into consideration commission preferences including owned and contracted resources.

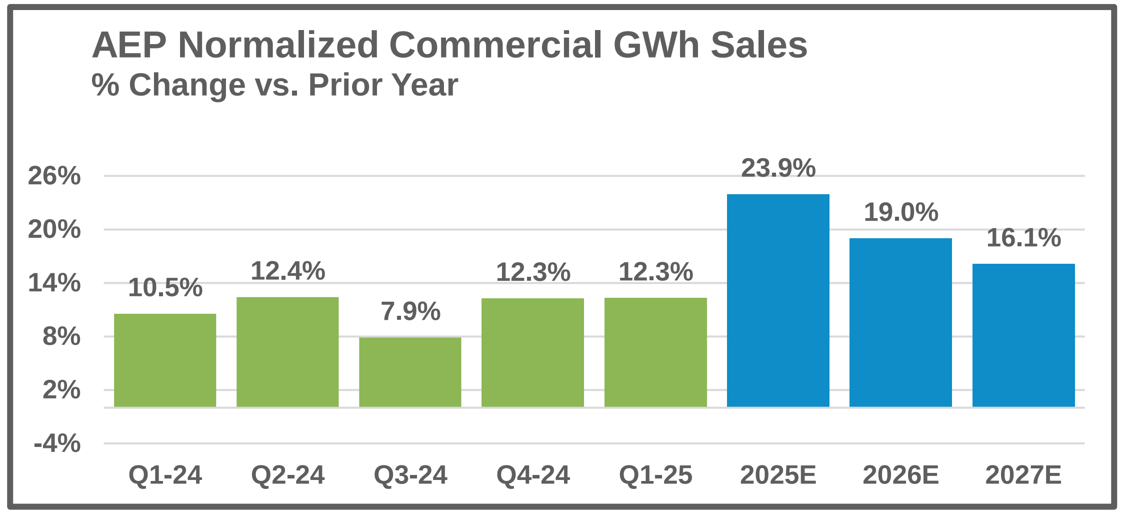
RFPs IN PROGRESS[4]

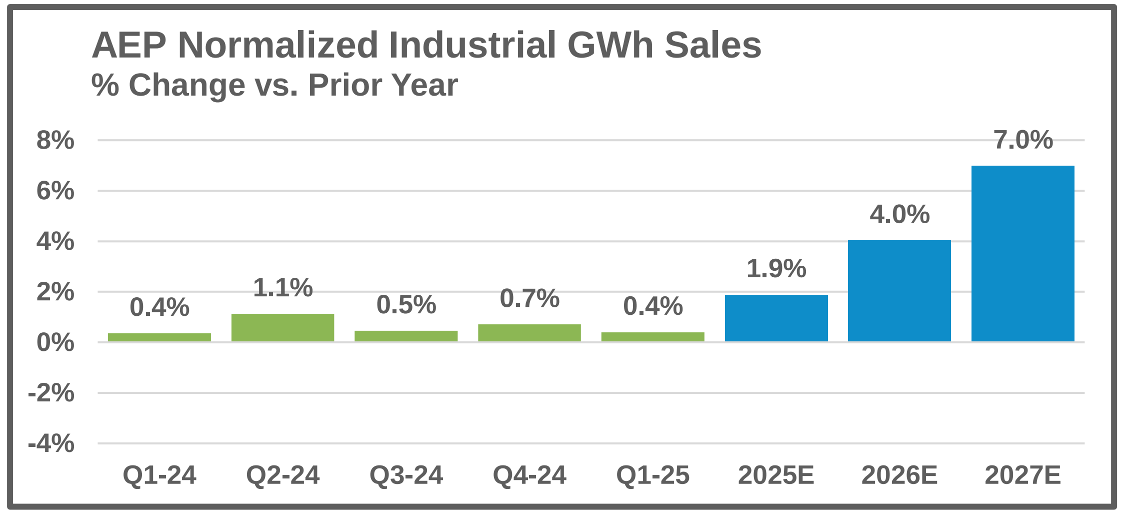
	Appalachian Power	Indiana Michigan Power	Public Service Company of Oklahoma
RFPs Issued	May 2024	September 2024	November 2023
Wind	800 MW	4,000 MW	1,500 MW of SPP accredited capacity
Solar			
Storage			
Natural Gas	-		
Reg. Filings and Approvals	2Q25 – 4Q25	2Q25 – 2Q26	2Q25 – 1Q26
Projected In-service Dates	2028	2028 or 2029	2027 or 2028

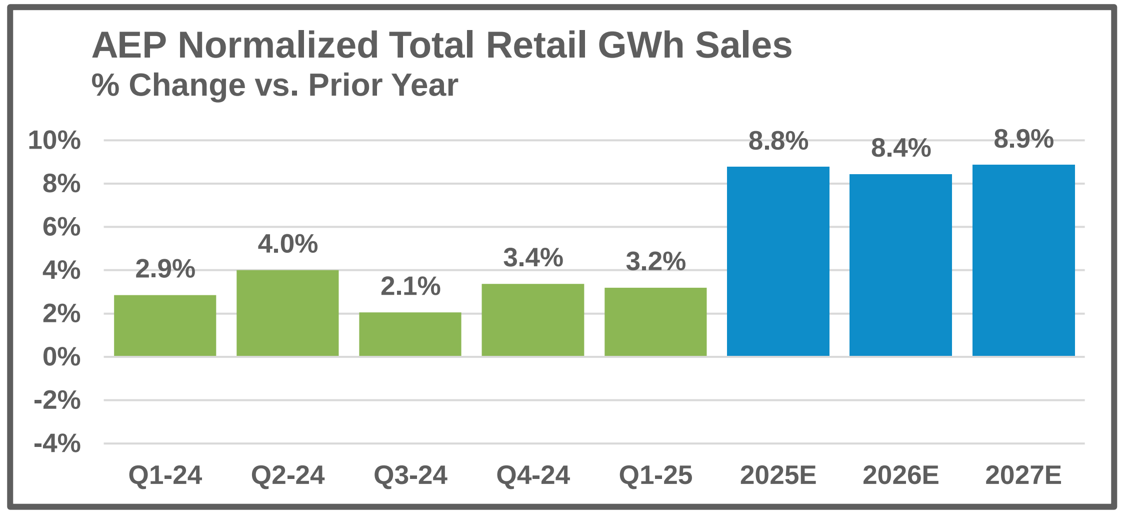
Load Growth Supports Financial Strength

Customer commitments for approximately 20 GW[1] of load through 2029 driven by data center demand and economic development with 2/3 from the commercial class and 1/3 from the industrial class









Large Load Growth Benefits All Stakeholders

Investors: Load growth from data center and industrial customers driving incremental investments

Customers: Innovative tariff design to protect our customers and keep rates affordable

Communities: Build a reliable and affordable grid to support economic development

[1] Management's load growth expectations are based on underlying economic and demographic trends. Commercial load, driven by growth in energy intensive subsectors such as AI driven data center demand, is anticipated to be the largest component of retail load growth. Forecasted data center demand growth is supported by letters of agreement or energy service agreements with existing and future customers, which are subject to certain terms and conditions.

Load figures are billed retail sales excluding firm wholesale load.

APPENDIX 2

First Quarter 2025 Performance

FFO to Total Debt

FFO to Total Debt was 13.2% as of 3/31/2025; the minority interest transmission transaction is credit accretive by 40-60 bps upon expected close in 2H 2025

RECONCILIATION OF CASH FLOW FROM OPERATIONS TO FFO

(in millions)	12 Months Ended 3/31/2025
Cash Flow from Operations (GAAP)	$ 6,813
Changes in Working Capital	(543)
Operating Lease Depreciation	110
Capitalized Interest	(140)
Junior Subordinated Debentures Interest	42
Deferred Fuel	(176)
Funds Flow from Operations (FFO) (non-GAAP)	$ 6,106

RECONCILIATION OF TOTAL DEBT TO ADJUSTED TOTAL DEBT

(in millions)	As of 3/31/2025
Total Debt (incl. current maturities) (GAAP)	$ 46,336
Junior Subordinated Debentures (50%)	(875)
Operating Leases	594
Finance Lease Obligations	159
Pension	206
Adjusted Total Debt (non-GAAP)	$ 46,420

Moody's view as calculated by AEP and may not include all adjustments that could be made by the rating agency.

First Quarter Reconciliation of GAAP to Operating Earnings

Weighted Average number of share outstanding: 533M Q1 2025 and 527M Q1 2024

	$ in millions			Earnings Per Share		
	Q1-24	Q1-25	Change	Q1-24	Q1-25	Change
Reported GAAP Earnings	$ 1,003	$ 800	$ (203)	$ 1.91	$ 1.50	$ (0.41)
Non-Operating Items:						
Impact of Ohio Legislation[1]	-	28	28	-	0.05	0.05
Mark-to-Market Impact of Commodity Hedging Activities[2]	(52)	(14)	38	(0.10)	(0.03)	0.07
Sale of AEP OnSite Partners[3]	-	9	9	-	0.02	0.02
Impact of Net Operating Losses Carryforward on Retail Rate Making[4]	(260)	-	260	(0.50)	-	0.50
Remeasurement of Excess ADIT Regulatory Liability – Turk Plant[4]	(32)	-	32	(0.06)	-	0.06
Dolet Hills Plant Disallowance[4]	11	-	(11)	0.02	-	(0.02)
AEP Operating Earnings	$ 670	$ 823	$ 153	$ 1.27	$ 1.54	$ 0.27

[1] Items recorded mainly or entirely in the T&D segment.
[1] Items recorded across multiple segments.
[2] Items recorded mainly or entirely in the G&M segment.
[3] Items recorded mainly or entirely in the VIU segment.

Vertically Integrated Utilities First Quarter Performance

RATE CHANGES

	Rate Performance, net of offsets ($ in millions) Q1-25 vs. Q1-24
APCo[3]	$20
I&M	$28
KPCo	$(2)
PSO	$22
SWEPCO	$15
Total	$83
Impact on Operating EPS	$0.12

WEATHER IMPACT

	Weather Impact ($ in millions)	
	Q1-25 vs. Q1-24	Q1-25 vs. Normal
APCo[3]	$42	$9
I&M	$13	$(1)
KPCo	$10	-
PSO	$7	$4
SWEPCO	$11	$6
Total	$83	$18
Impact on Operating EPS	$0.12	$0.03

NORMALIZED SALES

	Retail Load[1] (weather normalized) Q1-25 vs. Q1-24
APCo[3]	(1.0)%
I&M	(0.2)%
KPCo	(2.9)%
PSO	1.7%
SWEPCO	0.1%
Total	(0.3)%
Impact on Operating EPS[2]	$0.03

[1] Includes load on a billed basis only, excludes firm wholesale load and accrued sales.
[2] Includes EPS impact of accrued revenues.
[3] APCo also includes WPCo and KGPCo.

Transmission and Distribution Utilities First Quarter Performance

RATE CHANGES

	Rate Performance, net of offsets ($ in millions) Q1-25 vs. Q1-24
AEP Ohio	$27
AEP Texas	$23
Total	$50
Impact on Operating EPS	$0.08

WEATHER IMPACT

	Weather Impact ($ in millions)	
	Q1-25 vs. Q1-24	Q1-25 vs. Normal
AEP Ohio	$27	$17
AEP Texas	$16	$14
Total	$43	$31
Impact on Operating EPS	$0.06	$0.05

NORMALIZED SALES

	Retail Load[1] (weather normalized) Q1-25 vs. Q1-24
AEP Ohio	6.0%
AEP Texas	8.8%
Total	7.2%
Impact on Operating EPS[2]	$0.05

[1] Includes load on a billed basis only, excludes firm wholesale load and accrued sales.
[2] Includes EPS impact of accrued revenues.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