

Rate Base and ROEs

Vertically Integrated Utilities

Jurisdiction	Rate Base Proxy as of 12/31/2021 ¹ (\$ millions)	Operating Earned ROE ² as of 6/30/2022	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Rate Case
APCo – Virginia ³			9.2%	50/50	1/23/2021
APCo – West Virginia/WPCo			9.75%	49.84/50.16	3/6/2019
APCo – FERC			9.82%	52/48	1/1/2017
APCo/WPCo Total	\$ 10,390	8.4%			
KgPCO – Tennessee			9.50%	51.1/48.9	8/8/2022
KgPCo – Tennessee Total	\$ 180	4.6%			
KPCo – Distribution/Generation			9.30%	53.7/3.0/43.3 ⁴	1/14/2021
KPCo – FERC			10.07%	56.5/43.5	1/1/2017
KPCo – Kentucky Total	\$ 2,047	7.7%			
I&M – Indiana			9.70%	50/50	2/23/2022
I&M – Michigan			9.86%	53.44/46.56	2/1/2020
I&M – FERC			9.57%	49/51	1/1/2017
I&M Total	\$ 6,217	10.9%			
PSO – Distribution/Generation			9.40%	47/53	2/1/2022
PSO – Oklahoma Total	\$ 4,552	6.4%			
SWEPCO – Louisiana			9.80% ⁵	52.8/47.2	5/1/2017
SWEPCO – Arkansas			9.50%	55/45	7/1/2022
SWEPCO – Texas			9.25%	50.6/49.4	3/18/2021
SWEPCO – FERC			10.1%-11.1%	52/48	1/1/2017
SWEPCO Total	\$ 6,680	8.5%			

Transmission and Distribution Utilities

Jurisdiction	Rate Base Proxy as of 12/31/2021 ¹ (\$ millions)	Operating Earned ROE ² as of 6/30/2022	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Rate Case
AEP Ohio – Distribution			9.7%	45.6/54.4	12/1/2021
AEP Ohio – Transmission			10.35% ⁶	45/55	1/1/2018
AEP Ohio Total	\$ 6,294	9.7%			
AEP Texas – Transmission/Distribution			9.40%	57.5/42.5	5/29/2020
AEP Texas Total	\$ 8,667	9.1%			

Transcos

Company	Rate Base Proxy as of 12/31/2021 ¹ (\$ millions)	Operating Earned ROE ² as of 6/30/2022	Approved ROE	Approved Debt/Equity	Effective Date of Last Approved Formula Rate Filing
AEP Appalachian Transco	\$ 95	11.3%	10.35% ⁶	45/55	01/01/2018
AEP Ohio Transco	\$ 4,313	10.1%	10.35% ⁶	45/55	01/01/2018
AEP Kentucky Transco	\$ 141	9.5%	10.35% ⁶	45/55	01/01/2018
AEP Indiana Michigan Transco	\$ 2,986	10.2%	10.35% ⁶	45/55	01/01/2018
AEP West Virginia Transco	\$ 1,837	10.4%	10.35% ⁶	45/55	01/01/2018
AEP Oklahoma Transco	\$ 1,108	10.7%	10.50% ⁷	Actuals	01/01/2019

¹ Rate base represents Net Utility Plant plus Regulatory Assets less Net Accumulated Deferred Income Taxes and less Regulatory Liabilities.

² Operating ROE adjusts GAAP results by eliminating any material nonrecurring items and is not weather normalized. 12-month rolling ROE.

³ On 11/25/2020, APCo filed an appeal of the commission order with the Virginia Supreme Court.

⁴ Approved Debt/AR/Equity.

⁵ Represents the midpoint of the ROE range approved in the formula rate case settled in April 2017.

⁶ For AEP's East Transmission Companies, represents a 9.85% base ROE plus 50 BPS RTO adder.

⁷ For AEP's West Transmission Company, represents a 10.0% base ROE plus 50 BPS RTO adder.

Note: Chart excludes AEG's Rockport plant investment. AEG sells capacity and energy to I&M and KPCo under a PPA.