



American Electric Power

Non-UMWA Postretirement Health Care Plan

Actuarial Valuation Report
Benefit Cost for Fiscal Year Beginning
January 1, 2023 under U.S. GAAP

Employer Contributions for Plan Year
Beginning January 1, 2023

June 2023

wtwco.com

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Purposes of valuation

American Electric Power (the Company) engaged Willis Towers Watson US LLC (WTW) to value the Company's other postretirement benefit plan.

As requested by the Company, this report documents the results of an actuarial valuation of the American Electric Power Non-UMWA Postretirement Health Care Plan (the Plan) as of January 1, 2023.

The primary purpose of this valuation is to determine the Net Periodic Postretirement Benefit Cost/(Income) (Benefit Cost), in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715) for the fiscal year ending December 31, 2023. It is anticipated that a separate report will be prepared for year-end financial reporting purposes.

This report also contains information regarding the following:

1. Plan reporting information in accordance with FASB Accounting Standards Codification Topic 965 (ASC 965).
2. Expected contributions under the plan sponsor's funding policy for the 2023 plan year.
3. The estimated maximum tax-deductible contribution for the tax year in which the 2023 plan year ends as allowed by the Internal Revenue Code. The maximum tax-deductible contribution should be finalized in consultation with AEP's tax advisor.

Limitations

This valuation has been conducted for the purposes described above and may not be suitable for any other purpose. In particular, please note the following:

1. The expected contribution to the Plan has been set at an amount equal to the postretirement welfare cost plus retiree drug subsidy payments received (the sum of which can be no less than zero). Note that any significant change in the amounts contributed or expected to be contributed in 2023 from what is disclosed at December 31, 2022 may require disclosure in the interim financial statements, but should not affect the expected return on plan assets absent a remeasurement for another purpose.
2. There may be certain events that have occurred since the valuation date that are not reflected in the current valuation. See Subsequent Events in the Basis for Valuation section below for more information.
3. This report does not present liabilities on a plan termination basis, for which a separate extensive analysis would be required. No funded status measure included in this report is intended to assess, and none may be appropriate for assessing, the sufficiency of plan assets to cover the estimated cost of settling benefit obligations, as all such measures differ in some way from plan termination obligations. In addition, funded status measures shown in this report do not reflect the current costs of settling obligations by offering immediate lump sum payments to participants and/or purchasing

annuity contracts for the remaining participants (e.g., insurer profit, insurer pricing of contingent benefits and/or provision for anti-selection in the choice of a lump sum vs. an annuity).

4. The comparisons of plan obligations as determined for accounting and financial reporting purposes to plan assets presented in this report cannot be relied upon to determine the need for nor the amount of required future plan contributions. Nevertheless, such comparisons may be useful to assess the need for future contributions because they reflect current interest rates at the measurement date in determining benefit obligations. However, asset gains and losses, demographic experience different from assumed, changes in interest rates, future benefit accruals, if any, and other factors will all affect the need for and amount of future contributions. In addition, if a plan is not required by law to be funded, benefit payments may also be paid directly by the plan sponsor as they come due.

Section 1 : Summary of key results

1.1 Benefit cost, plan assets & obligations

All monetary amounts shown in U.S. Dollars

Fiscal Year Beginning		01/01/2023	01/01/2022
Benefit Cost/ (Income)	Net Periodic Postretirement Benefit Cost/(Income)	(108,026,950)	(146,018,568)
	Benefit Cost/(Income) due to Special Events	0	0
	Total Benefit Cost/(Income)	(108,026,950)	(146,018,568)
Measurement Date		01/01/2023	01/01/2022
Plan Assets	Fair Value of Plan Assets (FVA)	1,509,382,550	1,998,764,120
Benefit Obligations	Accumulated Postretirement Benefit Obligation (APBO)	(808,589,040)	(951,074,203)
Funded Ratio	Fair Value of Plan Assets to APBO	186.7%	210.2%
Accumulated Other Comprehensive (Income)/Loss (Pre-tax)	Net Prior Service Cost/(Credit)	(90,610,377)	(162,047,375)
	Net Loss/(Gain)	305,543,359	(116,604,362)
	Total Accumulated Other Comprehensive (Income)/Loss (pre-tax)	214,932,982	(278,651,737)
Assumptions	Discount rate	5.50%	2.90%
	Expected Long-Term Rate of Return on Plan Assets	7.25%	5.50%
	Current Health Care Cost Trend Rate	7.50% Medical / 10.00% Rx	6.25%
	Ultimate Health Care Cost Trend Rate	4.50%	4.50%
	Year of Ultimate Trend Rate	2029	2029
Participant Data	Census Date	01/01/2023	01/01/2022

Employer Contributions (net of Medicare subsidy)		Plan Year 2023 (est)	Plan Year 2022
Cash Flow	Funding policy contributions	0	0
	Maximum tax deductible contributions	137,000,000	122,969,781
	Actual contributions	630,315 ¹	669,745 ²
	Expected benefit payments and expenses, net of participant contributions	70,179,271	92,613,496

¹ Includes \$649,668 expected to be paid directly for key retirees in 2023, offset by \$19,353 in Medicare Retiree Drug Subsidies.

² Includes \$922,314 paid directly for key retirees in 2022, offset by \$252,569 in Medicare Retiree Drug Subsidies.

1.2 Employer contributions

Employer contributions are the amounts paid by AEP to provide for postretirement benefits, net of participant contributions and Medicare Part D payments. Most participants receiving benefits are required to contribute toward the cost of the plan.

AEP's funding policy is to contribute an amount equal to the postretirement welfare cost plus retiree drug subsidy payments received (the sum of which can be no less than zero). AEP maximizes its contribution to the 401(h) account and contributes the remainder to the various VEBAs. AEP may deviate from this policy, as permitted by its terms, based on cash, tax or other considerations.

1.3 Comments on results

The actuarial gains/(losses) due to demographic experience, including any assumption changes, and investment return different from assumed during the prior year were \$83,163,322 and \$(505,311,043) respectively.

Change in net periodic cost and funded position

The net periodic cost increased from \$(146,018,568) in fiscal 2022 to \$(108,026,950) in fiscal 2023.

All monetary amounts shown in millions of U.S. Dollars

Postretirement Welfare Cost	Net Periodic Benefit Cost
Prior year	(146.0)
Change due to:	
• Expected based on prior valuation and contributions during prior year	4.9
• Noninvestment experience different than assumed	0.0
• Investment experience greater or less than assumed	53.8
• Assumption changes	(20.7)
• Plan amendments	0
• Settlements, curtailments, certain termination benefits	0
• Acquisitions	0
• Method changes	0
• Changes in estimation techniques	0
Current year	(108.0)

Significant reasons for these changes include the following:

- Per capita health care cost assumption was updated and decreased the postretirement welfare cost.

All monetary amounts shown in millions of U.S. Dollars

	2023	2022
Medical (Overall Average)		
Under age 65 ¹		
• HSA Basic	11,040	11,105
• HSA Plus	11,643	12,218
• HRA	13,359	13,628
Age 65 and older (before Part D offsets)		
• Medicare Select	4,265	4,322
• Medicare Standard	3,404	3,277
• CSP	2,489	2,500
Medicare Part D offsets		
• Medicare Advantage (EGWP)	(1,830)	(1,706)
• CSP (RDS)	(276)	(276)

See Appendix A for additional details on per capita claims costs assumptions including assumed claims costs adjusted for age-related morbidity adjustments and assumed future utilization changes resulting from COVID-19.

- The discount rate increased 260 basis points since the prior year which increased the postretirement welfare cost.
- Actual asset returns during 2023 were much less than the assumed rate of 5.50% which increased the postretirement welfare cost.
- The expected return on assets assumption was increased by 175 basis points to 7.25% which decreased the postretirement welfare cost.
- Higher current medical inflation prompted higher assumed cost trend rates, which increased the postretirement welfare cost.
- EGWP changes under the Inflation Reduction Act (IRA) increased the postretirement welfare cost.

¹ Pre-65 per capita claims costs shown above do not include the 5% adjustment for potential dependent children covered under the plan.

Effects of Health Care Legislation

This valuation reflects our understanding of the relevant provisions of the Patient Protection and Affordable Care Act (PPACA) and Health Care and Education Reconciliation Act (HCERA), and subsequent legislation (the SECURE Act of 2019) that eliminated the Cadillac tax, medical device tax and health insurance issuer tax. The IRS has yet to issue final guidance with respect to many aspects of these laws. It is possible that future guidance may conflict with our understanding of these laws based on currently available guidance and could therefore affect the results shown in this report. The valuation does not anticipate the effects of any additional possible future changes to PPACA or HCERA.

1.4 Basis for valuation

Appendix A summarizes the assumptions, methods and models used in the valuation. Appendix B summarizes our understanding of the principal provisions of the plan being valued. Both of these appendices include a summary of any changes since the prior valuation. Unless otherwise described below under Subsequent Events, assumptions were selected based on information known as of the measurement date.

Subsequent events

None.

Additional information

The Inflation Reduction Act (IRA) was signed on August 16, 2022. This new law includes health care provisions related to Medicare and healthcare financing. While guidance is still forthcoming, the potential effect of the new legislation has been considered in preparing these results. Based on the information available, AEP updated its trend assumption at year-end 2022, and incorporated expected impacts on EGWP reimbursements. Additional changes may be reflected in future valuations as more guidance becomes available and actual plan experience is used to inform future expectations.

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Actuarial certification

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. However, please note the information described below regarding this valuation.

Reliances

In preparing the results presented in this report, we have relied on information regarding plan provisions, participants, assets, and sponsor accounting policies and methods provided by the Company and other persons or organizations designated by the Company. See the Sources of Data and Other Information section of Appendix A for further details. We have relied on all the data and information provided as complete and accurate. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by the Company, may produce materially different results that could require that a revised report be issued.

Measurement of benefit obligations, plan assets and balance sheet adjustments

Census date/measurement date

The measurement date is January 1, 2023. The benefit obligations were measured as of January 1, 2023 and are based on participant data as of the census date, January 1, 2023.

Plan assets and balance sheet adjustments

Information about the fair value of plan assets and the general ledger account balances for the other postretirement benefit plan cost at December 31, 2022, which reflect the expected funded status of the plan before adjustment to reflect the funded status based on the year-end measurements, and differences between the expected Medicare Part D subsidies and amounts received during the year was reviewed for reasonableness and consistency, but no audit was performed.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for tax effects. Any tax effects in AOCI should be determined by the Company in consultation with its tax advisors and independent accountants.

Assumptions and methods under the Internal Revenue Code for contribution limit purposes

The actuarial assumptions and methods employed in the development of the contribution limits have been selected by the plan sponsor, with the concurrence of WTW. The Internal Revenue Code requires the use of reasonable assumptions (taking into account the experience of the plan and reasonable expectations) which, in combination, offer the actuary's best estimate of anticipated experience under the plan. We believe that the assumptions used in our valuation are reasonable and appropriate for the purposes for which they have been used.

Assumptions and methods under U.S. GAAP

As required by U.S. GAAP, the actuarial assumptions and methods employed in the development of the other postretirement benefit cost and financial reporting have been selected by the Company. WTW has evaluated the assumptions used and believes that they do not significantly conflict with what would be reasonable. In addition, we believe that the combined effect of assumptions is expected to have no significant bias. See Appendix A for a description of each significant assumption used and our rationale for concluding that it does not significantly conflict with what would be reasonable. U.S. GAAP requires that each significant assumption "individually represent the best estimate of the plan's future experience solely with respect to that assumption."

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated by WTW, we believe do not significantly conflict with what would be reasonable. Other actuarial assumptions could also be considered to not significantly conflict with what would be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

A summary of the assumptions, methods and sources of data and other information used is provided in Appendix A. Note that any subsequent changes in methods or assumptions for the January 1, 2023 measurement date will change the results shown in this report.

Certain models (as described in ASOP No. 56) were used in preparing the information presented herein. Further information on these models can be found in Appendix A.

Nature of actuarial calculations

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. Any rounding (or lack thereof) used for displaying numbers in this report is not intended to imply a degree of precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements

presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period), and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of such future measurements. Retiree group benefits models necessarily rely on the use of approximations and estimates, and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements.

See Basis for Valuation in Section 1 above for a discussion of any material events that have occurred after the valuation date that are not reflected in this valuation.

Limitations on use

This report is provided subject to the terms set out herein and in our Master Services Consulting Agreement dated July 29, 2004 and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of the Company and its independent accountants in connection with our actuarial valuation of the other postretirement benefit plan as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. The Company may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require the Company to provide them this report, in which case the Company will use best efforts to notify WTW in advance of this distribution. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without WTW's prior written consent. WTW accepts no responsibility for any consequences arising from any other party relying on this report or any advice relating to its contents.

Professional qualifications

The undersigned are members of the Society of Actuaries and meet the “Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States” relating to other postretirement benefit plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Willis Towers Watson US LLC.



Joseph A. Perko, FSA, EA
Director, Retirement - Valuation Actuary
June 30, 2023



Chad M. Greenwalt, FSA, EA
Director, Retirement - Valuation Actuary
June 30, 2023



Martin P. Franzinger, ASA, MAAA
Health & Benefits Actuary
Pricing Specialist
June 30, 2023

The Pricing Specialist is responsible for developing and/or determining the reasonableness of retiree welfare plan trend and participation assumptions as well as assumed per capita claims costs (including the aging/morbidity assumption if applicable). The Valuation Actuary is responsible for other aspects of the valuation (e.g., developing and/or reviewing the reasonableness of other valuation assumptions and methods, ensuring that the valuation model reasonably reflects the substantive plan, preparing demographic data, performing the valuation, implementing the appropriate accounting or funding calculations, etc.).

Section 2 : Accounting exhibits

2.1 Balance sheet asset/(liability)

All monetary amounts shown in U.S. Dollars

Measurement Date	01/01/2023	01/01/2022
A Development of Balance Sheet Asset/(Liability)¹		
1 Accumulated postretirement benefit obligation (APBO)	(808,589,040)	(951,074,203)
2 Fair value of plan assets (FVA) ²	1,509,382,550	1,998,764,120
3 Net balance sheet asset/(liability)	700,793,510	1,047,689,917
B Current and Noncurrent Classification³		
1 Noncurrent asset	700,793,510	1,047,689,917
2 Current liability	0	0
3 Noncurrent liability	0	0
4 Net balance sheet asset/(liability)	700,793,510	1,047,689,917
C Accumulated Other Comprehensive (Income)/Loss		
1 Net prior service cost/(credit)	(90,610,377)	(162,047,375)
2 Net loss/(gain)	305,543,359	(116,604,362)
3 Accumulated other comprehensive (income)/loss ⁴	214,932,982	(278,651,737)
D Assumptions and Dates		
1 Discount rate	5.50%	2.90%
2 Current health care cost trend rate	7.50% Medical / 10% Rx	6.25%
3 Ultimate health care cost trend rate	4.50%	4.50%
4 Year of ultimate trend rate	2029	2029
5 Census date	01/01/2023	01/01/2022

¹ Whether any amounts in this table that differ from those disclosed at year-end must be disclosed in subsequent interim financial statements should be determined.

² Excludes receivable contributions.

³ The current liability (for each underfunded plan) was measured as the discounted value of benefits expected to be paid over the next 12 months in excess of the fair value of the plan's assets at the measurement date.

⁴ Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

2.2 Summary of net balances

All monetary amounts shown in U.S. Dollars

A Summary of Prior Service Cost/(Credit) Bases

Measurement Date Established	Original Amount	Net Amount at 01/01/2023	Remaining Amortization Period	Amortization Amount in 2023	Effect of Curtailments	Other Events
12/31/2010	(13,262,115)	(310,826)	0.19200	310,826	0	0
12/31/2011	(142,137,587)	(9,510,987)	0.57370	9,510,987	0	0
12/31/2012	(468,077,578)	(61,201,016)	1.20333	50,859,570	0	0
12/31/2019	(7,509,373)	(5,428,615)	7.82684	693,586	0	0
12/31/2020	(11,506,963)	(9,205,569)	8.00000	1,150,697	0	0
12/31/2021	(5,489,273)	(4,953,364)	9.24292	535,909	0	0
Total		(90,610,377)		63,061,575	0	0

All monetary amounts shown in US Dollars

B Summary of Net Loss/(Gain) (see Appendix A for a description of amortization method)

Net Amount at 01/01/2023 ¹	Amortization Amount in 2023	Effect of Curtailments	Effect of Settlements	Other Events (Identify)
305,543,359	(14,862,146)	0	0	0

¹ Before any immediate recognition on the same date.

2.3 Summary and comparison of benefit cost and cash flows

All monetary amounts shown in U.S. Dollars

Fiscal Year Ending	12/31/2023	12/31/2022
A Total Benefit Cost		
1 Employer service cost	4,298,510	6,611,191
2 Interest cost	42,804,716	26,680,463
3 Expected return on plan assets	(106,930,747)	(107,873,224)
4 Subtotal	(59,827,521)	(74,581,570)
5 Net prior service cost/(credit) amortization	(63,061,575)	(71,436,998)
6 Net loss/(gain) amortization	14,862,146	0
7 Subtotal	(48,199,429)	(71,436,998)
8 Net periodic postretirement benefit cost/(income)	(108,026,950)	(146,018,568)
9 Curtailment (gain)/loss	0	0
10 Settlement (gain)/loss	0	0
11 Special/contractual termination benefits	0	0
12 Other adjustments	0	0
13 Total benefit cost	(108,026,950)	(146,018,568)
B Assumptions (See Appendix A for interim measurements, if any)		
1 Discount rate	5.50%	2.90%
2 Expected long-term rate of return on plan assets	7.25%	5.50%
3 Current health care cost trend rate	7.50% Medical / 10% Rx	6.25%
4 Ultimate health care cost trend rate	4.50%	4.50%
5 Year of ultimate trend rate	2029	2029
6 Census date	01/01/2023	01/01/2022
C Fair Value of Assets at Beginning of Year	1,509,382,550	1,998,764,120
D Cash Flows Net of Medicare Part D Subsidy		
	Expected	Actual
1 Employer contributions	649,668	922,314
2 Plan participants' contributions	43,780,000	44,386,919
3 Benefits paid from plan assets	113,959,271	137,252,984
4 Expected Medicare retiree drug subsidy on current year benefit payments	(19,353)	(252,569)
E Amortization Period		
1 For gain/loss amortization, if applicable	10.40261	10.62912

2.4 Detailed results for postretirement welfare cost and funded position

All monetary amounts shown in U.S. Dollars

Detailed results		01/01/2023	01/01/2022
A Service Cost			
1	Medical	3,270,505	4,375,461
2	Life insurance	1,028,005	2,235,730
3	Dental	0	0
4	Total	4,298,510	6,611,191
B Accumulated Postretirement Benefit Obligation [APBO]			
1	Medical:		
a	Participants currently receiving benefits	387,034,567	381,335,512
b	Fully eligible active participants	31,767,317	34,169,456
c	Other participants	73,526,309	95,508,729
d	Total	492,328,193	511,013,697
2	Life insurance:		
a	Participants currently receiving benefits	268,989,542	352,094,308
b	Fully eligible active participants	15,781,946	26,161,186
c	Other participants	23,946,321	50,463,758
d	Total	308,717,809	428,719,252
3	Dental:		
a	Participants currently receiving benefits	7,403,704	11,123,968
b	Fully eligible active participants	139,334	217,286
c	Other participants	0	0
d	Total	7,543,038	11,341,254
4	All Benefits:		
a	Participants currently receiving benefits	663,427,813	744,553,788
b	Fully eligible active participants	47,688,597	60,547,928
c	Other participants	97,472,630	145,972,487
d	Total	808,589,040	951,074,203
C Assets			
1	Fair value [FV]	1,509,382,550	1,998,764,120
D Funded Position			
1	Overfunded (underfunded) APBO	700,793,510	1,047,689,917
2	APBO funded percentage	186.7%	210.2%
E Amounts in Accumulated Other Comprehensive Income			
1	Prior service cost (credit)	(90,610,377)	(162,047,375)
2	Net actuarial loss (gain)	305,543,359	(116,604,362)
3	Total	214,932,982	(278,651,737)

2.5 ASC 965 (plan reporting) information

All monetary amounts shown in U.S. Dollars

Summary of Present Value of Benefits		01/01/2023	01/01/2022
A Medical (ignoring Retiree Drug Subsidy)			
1	Current retirees	387,147,950	381,480,723
2	Active participants fully eligible for benefits	31,767,317	34,169,456
3	Other active participants	73,526,309	95,508,729
4	Total	492,441,576	511,158,908
B Life Insurance			
1	Current retirees	268,989,542	352,094,308
2	Active participants fully eligible for benefits	15,781,946	26,161,186
3	Other active participants	23,946,321	50,463,758
4	Total	308,717,809	428,719,252
C Dental			
1	Current retirees	7,403,704	11,123,968
2	Active participants fully eligible for benefits	139,334	217,286
3	Other active participants	0	0
4	Total	7,543,038	11,341,254
D Total (ignoring Retiree Drug Subsidy)			
1	Current retirees	663,541,196	744,698,999
2	Active participants fully eligible for benefits	47,688,597	60,547,928
3	Other active participants	97,472,630	145,972,487
4	Total	808,702,423	951,219,414

Actuarial assumptions and methods

The key actuarial assumptions used for plan reporting calculations are the same as those used to determine the postretirement welfare cost and are shown in the Actuarial Assumptions and Methods section, except that the Retiree Drug Subsidy (RDS) associated with Medicare Part D is not reflected. For the prior valuation, a discount rate of 2.90% was used. The same plan provisions shown in Appendix B were used to determine the present value of accumulated benefits.

Reconciliation of Present Value of Benefits		Plan Year 2022	Plan Year 2021
A Medical (ignoring Retiree Drug Subsidy)			
1	Benefit obligation, beginning of year	511,158,908	660,797,153
2	Service cost	4,375,461	5,985,423
3	Interest cost	14,153,690	16,286,708
4	Participant contributions	36,094,967	33,651,920
5	Net actuarial (gain)/loss - experience	27,111,266	6,303,162
6	Net actuarial (gain)/loss - assumptions	11,032,122	(109,299,218)
7	Plan amendments	0	(5,419,256)
8	Gross benefits paid	(111,484,838)	(97,146,984)
9	Benefit obligation, end of year	492,441,576	511,158,908
B Life Insurance			
1	Benefit obligation, beginning of year	428,719,252	460,983,646
2	Service cost	2,235,730	2,719,404
3	Interest cost	12,216,814	11,572,976
4	Participant contributions	748,633	813,779
5	Net actuarial (gain)/loss - experience	(2,875,230)	(8,294,362)
6	Net actuarial (gain)/loss - assumptions	(115,192,839)	(22,263,203)
7	Plan amendments	0	0
8	Gross benefits paid	(17,134,551)	(16,812,988)
9	Benefit obligation, end of year	308,717,809	428,719,252
C Dental			
1	Benefit obligation, beginning of year	11,341,254	13,690,784
2	Service cost	0	0
3	Interest cost	328,896	334,498
4	Participant contributions	7,543,319	7,241,074
5	Net actuarial (gain)/loss - experience	(1,603,251)	(389,584)
6	Net actuarial (gain)/loss - assumptions	(1,433,585)	(1,177,837)
7	Plan amendments	0	(70,017)
8	Gross benefits paid	(8,633,595)	(8,287,664)
9	Benefit obligation, end of year	7,543,038	11,341,254
D Total (ignoring Retiree Drug Subsidy)			
1	Benefit obligation, beginning of year	951,219,414	1,135,471,583
2	Service cost	6,611,191	8,704,827
3	Interest cost	26,699,400	28,194,182
4	Participant contributions	44,386,919	41,706,773
5	Net actuarial (gain)/loss - experience	22,632,785	(2,380,784)
6	Net actuarial (gain)/loss - assumptions	(105,594,302)	(132,740,258)
7	Plan amendments	0	(5,489,273)
8	Gross benefits paid	(137,252,984)	(122,247,636)
9	Benefit obligation, end of year	808,702,423	951,219,414

2.6 Basic results for employer contributions - VEBA's

All monetary amounts shown in U.S. Dollars

All Postretirement VEBA's	Estimated December 31, 2023	Actual December 31, 2022
A Qualified Asset Account Limits [QAAL]¹	331,000,000	334,946,401
B Assets		
1 Market value	1,284,000,000	1,231,085,760
2 Unrecognized investment losses (gains)	0	0
3 Actuarial value [AV]	1,284,000,000	1,231,085,760
C Funded Position		
1 Unfunded account limits [QAAL – FV]	(953,000,000)	(896,139,359)
D Employer Contributions		
1 Maximum deductible available ²	137,000,000	122,969,781
2 Qualified additions		
a Prior years' carryover	0	0
b Current year additions	0	0
c Total deductions available [a + b]	0	0
3 Other non-deductible current year additions	0	0
4 Total additions [2.c + 3]	0	0
a Life insurance VEBA	0	0
b Union medical and dental VEBA's	0	0
c Non-union medical and dental VEBA's	0	0

¹ Includes the present value of projected benefits for the union retiree medical VEBA.

² Includes amounts not contributed to trusts with capacity at year-end.

2.7 VEBA deduction limits

All monetary amounts shown in U.S. Dollars

Retiree Life Insurance		2022	2021
A Qualified Asset Account Limit (QAAL)			
1	December 31 actuarial accrued liability	199,491,977	235,107,850
2	Unrecognized liability	0	0
3	QAAL	199,491,977	235,107,850
B Assets			
1	Market value as of December 31	76,522,196	112,262,253
2	Unrecognized investment losses (gains)	0	0
3	Actuarial value [AV]	76,522,196	112,262,253
C Funded position			
1	Unfunded account limit [QAAL - AV]	122,969,781	122,845,597
2	Contributions received in trust, but not yet deducted		
	Through 2013	0	0
	2014	0	0
	2015	0	0
	2016	0	0
	2017	0	0
	2018	0	0
	2019	0	0
	2020	0	0
	2021	0	0
	2022	0	0
	Total	0	0
D Employer deductions for contributions to VEBAs			
1	Maximum deduction available ¹ [C.1 + Total of C.2]	122,969,781	122,845,597
2	Qualified additions		
a	Prior years' carryover	0	0
b	Current year additions	0	0
c	Total deductions available [a + b]	0	0
3	Other non-deductible current year additions	0	0
4	Total additions [2.c + 3]	0	0

¹ Includes amounts not contributed.

All monetary amounts shown in U.S. Dollars

Union Medical and Dental		2022	2021
A Qualified Asset Account Limit (QAAL)			
1	December 31 present value of projected benefits	102,437,188	103,201,464
2	Unrecognized liability	0	0
3	QAAL	102,437,188	103,201,464
B Assets			
1	Market value as of December 31	462,972,449	637,902,092
2	Unrecognized investment losses (gains)	0	0
3	Actuarial value [AV]	462,972,449	637,902,092
C Funded position			
1	Unfunded account limit [QAAL - AV]	(360,535,261)	(534,700,628)
2	Contributions received in trust, but not yet deducted		
	Through 2013	0	0
	2014	0	0
	2015	0	0
	2016	0	0
	2017	0	0
	2018	0	0
	2019	0	0
	2020	0	0
	2021	0	0
	2022	0	0
	Total	0	0
D Employer deductions for contributions to VEBAs			
1	Maximum deduction available ¹ [greater of C.1+C.2 and 0]	0	0
2	Qualified additions		
	a Prior years' carryover	0	0
	b Current year additions	0	0
	c Total deductions available [a + b]	0	0
3	Other non-deductible current year additions	0	0
4	Total additions [2.c + 3]	0	0

¹ Includes amounts not contributed.

All monetary amounts shown in U.S. Dollars

Non-Union Retiree Medical and Dental		2022	2021
A Qualified Asset Account Limit (QAAL)			
1	December 31 actuarial accrued liability	33,017,236	36,026,741
2	Unrecognized liability	0	0
3	QAAL	33,017,236	36,026,741
B Assets			
1	Market value as of December 31	691,591,115	815,424,761
2	Unrecognized investment losses (gains)	0	0
3	Actuarial value [AV]	691,591,115	815,424,761
C Funded position			
1	Unfunded account limit [QAAL - AV]	(658,573,879)	(779,398,020)
2	Contributions received in trust, but not yet deducted		
	Through 2013	285,901,694	285,901,694
	2014	0	0
	2015	0	0
	2016	0	0
	2017	0	0
	2018	10,082,000	10,082,000
	2019	0	0
	2020	0	0
	2021	0	0
	2022	0	0
	Total	295,983,694	295,983,694
D Employer deductions for contributions to VEBAs			
1	Maximum deduction available ¹ [greater of C.1+C.2 and 0]	0	0
2	Qualified additions		
	a Prior years' carryover	0	0
	b Current year additions	0	0
	c Total deductions available [a + b]	0	0
3	Other non-deductible current year additions	0	0
4	Total additions [2.c + 3]	0	0

¹ Includes amounts not contributed.

2.8 Cumulative nondeductible contributions

All monetary amounts shown in U.S. Dollars

Non-Union Retiree Medical and Dental VEBAs			
	Contributions Made by December 31, 2022, but Not Deducted as of December 31, 2021	Deductible in 2022	Remaining Nondeductible Contributions as of December 31, 2022
Through 2008	\$0	\$0	\$0
2009	105,440,603	0	105,440,603
2010	73,467,453	0	73,467,453
2011	38,701,148	0	38,701,148
2012	68,292,490	0	68,292,490
2013	0	0	0
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017	0	0	0
2018	10,082,000	0	10,082,000
2019	0	0	0
2020	0	0	0
2021	0	0	0
2022	0	0	0
Total	\$295,983,694	\$0	\$295,983,694

Retiree Life Insurance VEBAs			
	Contributions Made by December 31, 2022, but Not Deducted as of December 31, 2021	Deductible in 2022	Remaining Nondeductible Contributions as of December 31, 2022
Through 2008	\$0	\$0	\$0
2009	0	0	0
2010	0	0	0
2011	0	0	0
2012	0	0	0
2013	0	0	0
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017	0	0	0
2018	0	0	0
2019	0	0	0
2020	0	0	0
2021	0	0	0
2022	0	0	0
Total	\$0	\$0	\$0

2.9 Development of maximum deductible contribution – 401(h)

All monetary amounts shown in U.S. Dollars

Plan Year Beginning		January 1, 2023		
A Development of Maximum Deductible Contribution				
1	Present value of projected benefits			321,976,246
2	Fair value of assets			278,296,790
3	Unfunded (surplus) [A.1 – A.2]			43,679,456
4	Average present value of future service			7
5	Preliminary maximum deductible contribution			
a	10% of unfunded surplus [10% x A.3]			4,367,946
b	Aggregate normal cost [A.3 / A.4]			6,215,778
c	Greater of A.5.a, A.5.b and 0			6,215,778
6	Preliminary maximum contribution [1.07 x A.5.c]			6,650,883
7	Subordination test (development shown below)			145,371,303
8	Maximum deductible contribution ignoring expenses [lesser of A.6 and A.7]			6,650,883
9	Total trust expenses paid from 401(h) account			423,190
10	Maximum deductible contribution including expenses [A.8 + A.9]			7,074,073
B Subordination Test				
Year-by-year minimum of actual pension plan contribution and pension plan normal cost with interest				
	Year	West Plan	East Plan	Combined Plan
	1992	9,766,169	N/A	N/A
	1993	22,392,743	N/A	N/A
	1994	21,208,326	N/A	N/A
	1995	21,683,436	N/A	N/A
	1996	20,271,648	N/A	N/A
	1997 - 2002	0	N/A	N/A
	2003	19,197,145	39,165,054 ¹	N/A
	2004	18,614,338	56,614,811	N/A
	2005	16,222,550	55,872,817	N/A
	2006-2007	0	0	N/A
	2008	0	0	0
	2009	N/A	N/A	100,540,448
	2010	N/A	N/A	125,586,018
	2011	N/A	N/A	62,751,522
	2012	N/A	N/A	0
	2013	N/A	N/A	65,249,050
	2014	N/A	N/A	0
	2015	N/A	N/A	81,674,776
	2016	N/A	N/A	84,696,307
	2017	N/A	N/A	93,590,761
	2018	N/A	N/A	0
	2019	N/A	N/A	99,347,283
	2020-2022	N/A	N/A	0
	Cumulative pension contributions not for past service	149,356,355	151,652,682	1,014,445,203
		x 1/3	x 1/3	x 1/3
		49,785,452	50,550,894	338,148,401
	Cumulative 401(h) contributions before plan year 2022	49,785,452	50,550,894	192,777,098
	Subordination limit	0	0	145,371,303

¹ Includes only portion of normal cost and contributions after 401(h) account adoption for indicated year

2.10 Expected benefit disbursements, administrative expenses, and participant contributions

All monetary amounts shown in U.S. Dollars

	January 1, 2023	January 1, 2022
A Medical and Dental without RDS		
1 Gross disbursements	93,382,609	102,242,660
2 Participant contributions	(42,982,173)	(45,848,275)
3 Net disbursements	50,400,436	56,394,385
B Life Insurance		
1 Gross disbursements	20,596,016	20,381,280
2 Participant contributions	(797,827)	(870,810)
3 Net disbursements	19,798,189	19,510,470
C Gross without RDS		
1 Gross disbursements	113,978,625	122,623,940
2 Participant contributions	(43,780,000)	(46,719,085)
3 Net disbursements	70,198,625	75,904,855
D RDS¹		
1 Gross disbursements	(19,354)	(23,692)
2 Participant contributions	0	0
3 Net disbursements	(19,354)	(23,692)
E Net with RDS		
1 Gross disbursements	113,959,271	122,600,248
2 Participant contributions	(43,780,000)	(46,719,085)
3 Net disbursements	70,179,271	75,881,163

¹ 2021-2022 RDS payments expected to be received in 2023-2024.

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Section 3 : Participant data

3.1 Summary of participant data

All monetary amounts shown in U.S. Dollars

Census Date	01/01/2023	01/01/2022
A Participating Employees		
1 Number		
a Fully eligible	1,577	1,640
b Other	7,022	7,728
c Total participating employees	8,599	9,368
2 Average age	52.14	51.69
3 Average credited service	23.13	22.70
B Retirees, Surviving Spouses and Surviving Dependents		
1 Retirees		
a Number	14,924	14,844
b Average age	72.95	72.66
c Number of spouses	7,985	8,126
2 Surviving spouses and surviving dependents		
a Number	3,018	3,085
b Average age	80.64	80.65
3 Total retirees, surviving spouses and surviving dependents		
a Number	17,942	17,929
b Average age	74.24	74.04
c Number of spouses	7,985	8,126
d Distribution at January 1, 2023		
Age	Number	
Under 55	84	
55-59	395	
60-64	2,138	
65-69	3,721	
70-74	3,710	
75-79	3,422	
80-84	2,097	
85 and over	2,375	

3.2 Age and service distribution of active participants

All monetary amounts shown in U.S. Dollars

Attained Age	Attained Years of Credited Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	0	0	0	0	0	0	0	0	0	0
25-29	0	15	1	0	0	0	0	0	0	16
30-34	0	109	143	9	0	0	0	0	0	261
35-39	0	128	393	289	8	0	0	0	0	818
40-44	0	97	351	510	167	4	0	0	0	1,129
45-49	0	72	267	455	333	92	1	0	0	1,220
50-54	0	70	209	342	299	242	176	9	0	1,347
55-59	0	43	131	240	267	211	440	354	39	1,725
60-64	0	31	83	145	123	121	222	441	409	1,575
65-69	0	13	25	25	41	30	41	61	209	445
70 & over	0	6	3	2	7	2	5	3	35	63
Total	0	584	1,606	2,017	1,245	702	885	868	692	8,599
Average:	Age	52	Number of Participants							
	Service	23	Fully eligible		1,577	Males		6,993		
			Other		7,022	Females		1,606		
Census data as of January 1, 2023										

Appendix A : Statement of actuarial assumptions, methods and data sources

Actuarial Assumptions and Methods — Postretirement Welfare Cost and Funding/Tax Deductions Based on Plan Year beginning January 1, 2023

Economic Assumptions

	Postretirement Welfare Cost	Plan Reporting	Employer Contributions
Discount rate ¹	5.50%	5.50%	N/A
Rates of return on assets, pre-tax: ¹			
• 401(h) accounts	N/A	N/A	7.00%
• Life insurance	N/A	N/A	9.00%
• Union medical/dental	N/A	N/A	7.75%
• Non-union medical/dental	N/A	N/A	6.75%
• Aggregate	7.25%	N/A	N/A
	Age	Rate	
• Annual rates of compensation increases	< 25	11.50%	
	25 – 29	8.50%	
	30 – 34	7.00%	
	35 – 39	6.00%	
	40 – 44	5.00%	
	45 – 49	4.50%	
	50 – 54	4.00%	
	55 – 59	3.75%	
	60 – 64	3.50%	
	65 – 69	3.25%	
	70+	3.00%	
	Weighted average	5.05%	
• Medical cost trend rate ²		Medical	Prescription Drug
	2023	7.50%	10.00%
	2024	7.00%	9.00%
	2025	6.50%	8.00%
	2026	6.00%	7.00%
	2027	5.50%	6.00%
	2028	5.00%	5.00%
	2029+	4.50%	4.50%

Dental cost trend rate ²	All years	3.00%
Medicare covered charges trend rate	Same as medical cost trend	
Retiree contribution trend rate	Same as medical cost trend. For capped retirees, future retiree contributions are developed based on expected gross costs compared to the applicable cap.	

¹ Only discount rate and asset return assumptions vary between the reporting standards. All other assumptions are consistent throughout.

² 0% trend assumed for non-union VEBA account limit.

Participation Assumptions

Inclusion Date	The valuation date coincident with or next following the date on which the employee is hired.	
New or rehired employees	It was assumed there will be no new or rehired employees.	
	Current Retirees	Future Retirees
Participation	Based on valuation census data.	78% in 2023 with the rate decreasing by 2% annually to an ultimate rate of 60% in 2032.
Persistency	Capped retirees will drop coverage at a rate of 3% for 2023 and 4% for 2024 and beyond; Non-capped retirees will drop coverage at a rate of 0.85% annually	Same as current retirees
Percentage of retiree with spousal coverage	Based on valuation census data.	72.6% for males, 52.6% for females.
Spouse age	Based on valuation census data.	Wife three years younger than husband.

Demographic Assumptions

Mortality	Base mortality rates are derived from the Pri-2012 headcount weighted mortality table without collar adjustments. Mortality improvements are projected forward on a generational basis using Scale MP-2021.
Disabled mortality (through age 65)	Rates vary by age and sex. Representative rates:

Age	Males	Females
30	1.05%	0.54%
40	1.52	1.00
50	2.23	1.51
60	2.62	1.96

Disability

Rates apply to employees not eligible to retire and vary by age and sex.

Representative rates:

Percentage becoming disabled during the year		
Age	Males	Females
20	0.060%	0.090%
30	0.060	0.090
40	0.074	0.110
50	0.178	0.270
60	0.690	1.035

Termination
(not due to disability
or retirement)

Rates apply to employees not eligible to retire and vary by age.

Representative rates:

Percentage leaving during the year	
Attained vested service	Rate
< 3	7.00%
3 – 4	6.00%
5 – 9	5.00%
10 – 14	4.00%
15 – 19	2.50%
20 +	1.50%

Retirement

Rates vary by age.

Representative rates:

Percentage retiring during the year	
Age	Rate
55 – 58	4.00%
59	6.00%
60	7.50%
61	9.00%
62 – 64	16.00%
65 – 67	25.00%
68 – 69	20.00%
70+	100.00%

2023 Per Capita Claims Costs (shown in U.S. dollars)

Medical

- Prior to age 65¹

Age	HSA Basic	HSA Plus	HRA
<= 29	3,939	4,154	4,830
30 – 34	4,819	5,082	5,909
35 – 39	5,095	5,374	6,249
40 – 44	5,573	5,877	6,834
45 – 49	6,431	6,782	7,886
50 – 54	7,896	8,327	9,683
55 – 59	9,481	9,999	11,627
60 – 64	11,732	12,373	14,388
Average	11,040	11,643	13,539

- Age 65 and after

Age	Medicare Select	Medicare Standard	CSP
65 – 69	4,032	3,208	2,140
70 – 74	4,381	3,485	2,370
75 – 79	4,522	3,598	2,550
80 – 84	4,478	3,563	2,627
85 – 89	4,179	3,325	2,622
90 – 94	3,609	2,872	2,457
≥ 95	2,900	2,308	2,299
Average	4,265	3,404	2,489

- Medicare Part D - RDS

Age	Medicare Advantage	CSP
65 – 69	N/A	(294)
70 – 74	N/A	(320)
75 – 79	N/A	(330)
80 – 84	N/A	(327)
85 – 89	N/A	(305)
90 – 94	N/A	(263)
≥ 95	N/A	(212)
Average	N/A	(276)

¹ Pre-65 per capita claims costs do not include the 5% adjustment for potential dependent children covered under the plan.

- Medicare Part D - Employer Group Waiver Plan (EGWP) for Medicare Advantage plans¹

Age	CMS Direct Payments & Catastrophic Reinsurance	Manufacturer's Coverage Gap Discount
65 – 69	(1,042)	(686)
70 – 74	(1,133)	(746)
75 – 79	(1,169)	(770)
80 – 84	(1,158)	(762)
85 – 89	(1,080)	(711)
90 – 94	(933)	(614)
≥ 95	(750)	(494)
Average	(1,104)	(727)

Dental 441

Administrative expenses Included in claims costs shown above.

¹ EGWP CMS Direct Payments and Catastrophic Reinsurance payments are projected to decrease 35% in 2025 for the expected impact of the IRA

Additional Assumptions

Timing of benefit payments Benefit payments are assumed to be made uniformly throughout the year and on average at mid-year.

Methods

Census date January 1, 2023

Measurement date January 1, 2023

Service cost and APBO Costs are determined using the Projected Unit Credit Cost Method. The annual service cost is equal to the present value of the portion of the projected benefit attributable to service during the upcoming year, and the Accumulated Postretirement Benefit Obligation (APBO) is equal to the present value of the portion of the projected benefit attributable to service before the valuation date. Service from hire date through the expected full eligibility date is counted in allocating costs.

Market-related value of assets The fair value of assets on the measurement date.

Amortization of unamortized amounts:

Prior service cost (credit) Increase in APBO resulting from a plan amendment is amortized on a straight-line basis over the average expected remaining service of active participants expected to benefit under the plan. Amortization of net prior service cost/(credit) resulting from a plan change is included as a component of Net Periodic Postretirement Benefit Cost/(Income) in the year first recognized and every year thereafter until such time as it is fully amortized. The annual amortization payment is determined in the first year as the increase in APBO due to the plan change divided by the average remaining service period to full eligibility for participating employees expected to receive benefits under the Plan. Reductions in APBO first reduce any unrecognized prior service cost; any remaining amount is amortized on a straight-line basis as described above.

Net loss (gain)	<p>Amortization of the net gain or loss resulting from experience different from that assumed and from changes in assumptions (excluding asset gains and losses not yet reflected in market-related value) is included as a component of Net Periodic Postretirement Benefit Cost/(Income) for a year.</p> <p>Net loss (gain) in excess of 10% of the greater of APBO or the market-related value of assets is amortized on a straight-line basis over the average expected remaining service of active participants expected to benefit under the plan.</p>
ASC 965 (formerly SOP 92-6)	
<ul style="list-style-type: none"> • Present value of benefits 	<p>Present value of benefits is equal to the present value of the portion of the projected benefit attributable to service before the valuation date. Service from hire date through the expected full eligibility date is counted in allocating costs.</p>
<ul style="list-style-type: none"> • Funding policy 	<p>AEP's funding policy is to contribute an amount equal to the postretirement welfare cost plus retiree drug subsidy payments received (the sum of which can be no less than zero). AEP maximizes its contribution to the 401(h) account and contributes the remainder to the VEBAs.</p>
<ul style="list-style-type: none"> • Benefits Not Valued 	<p>All benefits described in the Plan Provisions section of this report were valued. Life insurance benefits in excess of \$50,000, RDS offsets and health care benefits for key employees were not included in determining the maximum deductible contribution. WTW has reviewed the plan provisions with AEP and based on that review is not aware of any significant benefits required to be valued that were not included.</p>
<ul style="list-style-type: none"> • Change in Assumptions and Methods Since Prior Valuation 	<ul style="list-style-type: none"> • Per capita claims costs were updated to reflect 2021 retiree claims experience • Discount rate was changed from 2.90% to 5.50% • The expected return on assets assumption was increased by 175 basis points to 7.25% • Initial medical and drug trend rates were increased to the scales shown above • Changes under the IRA impacted projected EGWP costs

Sources of Data and Other Information

American Electric Power (AEP), through BusinessSolver, its third party administrator, furnished active and inactive participant data as of January 1, 2023. AEP also provided the accrued postretirement benefit costs and assets information as of December 31, 2022. Health plan vendors furnished the claims cost data. AEP supplied 2021 prescription drug rebates and ESI provided estimated 2023 EGWP payments. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data were adjusted to reflect any significant events that occurred between the date the data were collected and the measurement date. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions – Funding and Accounting

Discount rate As required by U.S. GAAP, the discount rate was chosen by the plan sponsor based on market information on the measurement date. We believe the discount rate chosen does not significantly conflict with what would be reasonable.

Interest rate (funding) The interest rate is the expected rate of return on plan assets, and represents an estimate of future experience for trust asset returns, reflecting the plan’s current asset allocation, and current and expected future market conditions. We believe the interest rates chosen does not significantly conflict with what would be reasonable.

Expected long-term return on plan assets We understand that the expected return on assets assumption reflects the plan sponsor’s estimate of future experience for trust asset returns, reflecting the plan’s current asset allocation and any expected changes during the current plan year, current market conditions and the plan sponsor’s expectations for future market conditions. Therefore, we believe the expected return on plan assets chosen does not significantly conflict with what would be reasonable.

Rates of increase in:

- **Plan administrative expenses** Administrative expenses are included in per capita claims costs and thus the medical plan trend rate is applied to these expenses. We believe this assumption does not significantly conflict with what would be reasonable.
- **Claims cost trend rates** Assumed increases were chosen by the plan sponsor and, as required by U.S. GAAP, they represent an estimate of future experience, informed by an analysis of recent plan experience, leading to select and ultimate assumed trend rates and reflecting the expected near-term effect of recently enacted plan changes. In setting near term trend rates, other pertinent statistics were considered, including surveys on general medical cost increases. In setting the ultimate trend rate, considerations included assumed GDP growth consistent with the assumed future economic conditions inherent in other economic assumptions chosen by the client at the measurement date.

After examining historical variability in trend rates, we believe that the selected assumptions do not significantly conflict with what would be reasonable based on a combination of market conditions at the measurement date and future expectations consistent with other economic assumptions used, other than the discount rate.

For the medical VEBA funding limit of the non-bargained group, no future increases in medical or dental costs have been assumed, in accordance with U.S. tax law. We believe this assumption does not significantly conflict with what would be reasonable.

Participant contribution trend rates In accordance with the substantive plan communicated to participants, participant contributions for non-capped participants are intended to remain a fixed percentage of total plan costs, and thus the trend rates, and the description of the derivation of the trend rates, are the same as for claims costs as shown above. We believe this assumption does not significantly conflict with what would be reasonable.

Basis for Per Capita Claims Cost Assumptions

- Pre-65 retiree medical rates

AEP supplied data on retiree medical and prescription drug claims incurred in 2021 and paid through March 2022. AEP reported prescription drug rebates they received for 2021. Claim experience rates were calculated for medical plans by normalizing claims experience for benefit differences and combining, then dividing combined incurred claims, net of prescription rebates by covered lives and trending forward two years to 2023. Adjustments for carrier and minor plan design changes were also made. Finally, administrative expense rates were added to claims cost rates. Claims cost models were developed by age-grading these claims rates over standard WTW morbidity curves for both medical and prescription drugs to develop the quinquennial claims cost models.
- Post-65 retiree medical rates

2023 monthly claim rates were calculated separately for the Medicare Advantage options and CSP Medicare-eligible plans by dividing 2021 incurred claims (Rx only, except for CSP) paid through March 2022 by covered lives and trending forward two years to 2023. Prescription drug claim rates were then multiplied by pricing change factors representing the effect of any pricing and other program changes for 2022 and 2023.

Next, 2023 premium rates for new Medicare Advantage (MA) plans were added. There is a guarantee premium of \$0 through 2028, and additional premium credits through Aetna further support an assumption of a \$0 premium rate for Medicare Advantage plans holding indefinitely.

Finally, administrative expense rates were added to Rx and CSP claims cost rates. Claims cost models were developed separately for medical and prescription drug by age-grading these rates over standard WTW morbidity curves for medical and prescription drugs to develop quinquennial age-banded claims cost models. We believe this assumption does not significantly conflict with what is reasonable.
- Dental rates

Aetna supplied data on dental claims incurred in 2021 and paid through March 2022. Claims experience for retirees was analyzed to derive the 2023 dental claim rates. The single coverage rate was trended to 2023 and administrative costs were added to derive the per capita claims cost assumption. We believe this assumption does not significantly conflict with what would be reasonable.

Medicare Part D offsets

- RDS

We calibrated our modelling tool to reflect the 2023 cost of the current prescription drug plans for AEP’s CSP retirees. The tool employs a continuance table of annual retiree drug utilization levels, developed from analyzing the experience of many large companies, reflecting 1.0 million Medicare-eligible members’ experience from 2018.

After the plan-specific benefit provisions have been calibrated to current costs, the Modeler trends costs forward to 2023 at 7.00% per year. Actuarial equivalence was determined using the following two-prong approach outlined in the regulations for Medicare Part D:

- *Gross Value Test* – The Modeler calculates the value of standard Medicare Part D coverage and compares it to AEP’s plan costs. AEP’s plans passed this test by being richer than the projected value of standard Medicare part D coverage for these groups.
- *Net Value Test* – The net value prong of the test compares the value of Standard Part D coverage in 2023 minus the greater of \$392.88 per year (the national average Part D premium) and 25.5% of the gross value of Part D to the projected 2023 value of AEP coverage minus the average projected 2023 retiree contribution rate. For this purpose, retiree contributions were assumed to apply pro rata between the value of medical benefits and prescription drug benefits.

The tool calculates the average expected value of the employer subsidy in 2023, using the continuance table calibrated to AEP’s CSP plan costs. This produced an expected 2023 per person employer subsidy of \$276 for CSP, which was then converted to rates that varied by participant age band using WTW’s prescription drug morbidity factors. We believe this assumption does not significantly conflict with what is reasonable.

- EGWP

Estimated plan cost offsets associated with the EGWP arrangement were provided by Express Scripts for direct subsidy payments, coverage gap discounts and reinsurance payments. These projections incorporated national average bid results for 2023 Part D plans. These amounts were converted to rates varying by quinquennial age band using WTW’s standard prescription drug morbidity factors. We believe this assumption does not significantly conflict with what is reasonable.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions were selected by the plan sponsor and as required by U.S. GAAP, represent a best estimate of future experience. We believe this assumption does not significantly conflict with what would be reasonable.
Disabled Mortality	Assumptions were selected by the plan sponsor and as required by U.S. GAAP, represent a best estimate of future experience. We believe this assumption does not significantly conflict with what would be reasonable.
Termination	Termination rates are based on a recent demographic study and plan sponsor expectations for the future with periodic monitoring of observed gains and losses caused by termination patterns different than assumed. We believe this assumption does not significantly conflict with what would be reasonable.

Disability	Disability rates are based on plan sponsor expectations for the future with periodic monitoring of observed gains and losses caused by disability patterns different than assumed. We believe this assumption does not significantly conflict with what would be reasonable.
Retirement	Retirement rates are based on a recent demographic study and plan sponsor expectations for the future with periodic monitoring of observed gains and losses caused by retirement patterns different than assumed. We believe this assumption does not significantly conflict with what would be reasonable.
Persistence	Persistence rates are based on a recent demographic study and plan sponsor expectations for the future with periodic monitoring of observed gains and losses caused by persistency patterns different than assumed. We believe this assumption does not significantly conflict with what would be reasonable.
Participation	
<ul style="list-style-type: none"> • Participants/Spouses 	The assumed coverage rates for participants and spouses reflect historical experience as well as anticipated future reductions in rates due to expected rates of increase in participant contributions and availability of coverage through public exchanges. We believe this assumption does not significantly conflict with what would be reasonable.
<ul style="list-style-type: none"> • Covered dependents 	The assumed dependent coverage is based on the dependent coverage observed among recent retirees and general population statistics on the marital status of individuals of retirement age. We believe this assumption does not significantly conflict with what would be reasonable.
<ul style="list-style-type: none"> • Covered Spouse age 	The assumed age difference for spouses is based on the age difference observed among recent retirees and general population statistics of the age difference for married individuals of retirement age. We believe this assumption does not significantly conflict with what would be reasonable.

Source of Prescribed Methods

Funding methods	The methods used for determining maximum deductible contributions to the 401(h) account and VEBA are chosen from acceptable methods prescribed by law.
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Model Descriptions and Disclosure in Accordance with ASOP No. 56

Quantify	<p>Quantify is the WTW centrally developed, tested and maintained Global actuarial valuation system. It is used to perform valuations of clients' benefit plans.</p> <p>Quantify provides the ability to process data, calculate benefits and value benefit liabilities, develop results using applicable standards, and generate client reports.</p> <p>Quantify parameters provide significant flexibility to model populations and plan designs. Various demographic, economic and benefit related assumptions exist for users to model multiple demographic and economic situations.</p>
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Plan liabilities are calculated based on standard actuarial techniques, developing actuarially reasonable results using the population and parameters entered. The calculation and presentation of liabilities in Quantify relies on the assumptions used and the reasonability of the assumptions selected.

Quantify incorporates standard liability methodologies that are intended to reasonably reflect a variety of economic or demographic conditions. The model itself does not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence.

Quantify is designed specifically for these purposes, and we know of no material limitations that would prevent the system from being suitable for these intended purposes. The actuaries signing this report have relied on the actuaries who develop, test and maintain this system, and have also performed a limited review of results to ensure that system parameters have been set appropriately and plan provisions coded correctly.

BOND:Link

U.S. BOND:Link is a methodology to assist with the selection of discount rates used in liability and cost measurements related to employee benefit plans. Discount rates are derived by identifying a theoretical settlement portfolio of high-quality corporate bonds sufficient to provide for a plan's projected benefit payments. The single interest rate is then determined that results in a discounted value of the plan's benefit payments that equals the market value of the selected bond portfolio.

Updated BOND:Link models are developed monthly as of the last day of the month. The construction of a BOND:Link model relies on bond data collected as of the measurement date. Parameters provide the user the ability to control aspects of the model. The model output allows the user to see the effects of those parameters.

Published demographic tables

Certain demographic tables described above are standard published tables or are based on standard published tables from models developed by organizations with the requisite expertise

AgeDist

AgeDist is a spreadsheet tool that applies relative cost factors by age to average per capita costs (pre and post 65) and census weights to produce age-graded plan costs for pre- and post-65 populations. The average per capita costs and census weights are provided as inputs to the tool which is then combined with a morbidity curve to produce a set of weighted average age-related costs that equal the average. The age-graded costs are used in the actuarial valuation.

The morbidity curve was developed from a broad set of claims data aggregated by age and blended and does not reflect a client's specific morbidity. The model does not evaluate the average per capita costs or census weights for reasonableness or consistency.

The models used for this analysis are designed specifically for these purposes, and we know of no material limitations that would prevent the models from being suitable for these intended purposes.

We are not aware of any material inconsistencies among assumptions used in this work. The model itself does not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence. The

calculation and presentation of results relies on the assumptions used and the reasonability of the assumptions selected. The output of the models used in this analysis is considered reasonable based on the aggregation of assumptions used. However, a different set of results could also be considered reasonable based on a range of possible values used for each assumption.

Pricing & Underwriting Tool (PUT)

The Pricing and Underwriting Tool (PUT) develops projected premium equivalent rates, employee contributions, and COBRA rates for self-insured employer health plans (medical, prescription drugs, dental, and vision). The tool develops rates by plan or in aggregate leveraging historic claims, enrollment, plan design and administrative fee data for an employer. The model allows flexibility to incorporate plan design changes, seasonality, and multiple methods of estimating incurred claims amounts from paid claims data.

The models used for this analysis are designed specifically to support pricing and underwriting analysis for our clients' medical, prescription drug and dental plans and we know of no material limitations that would prevent the models from being suitable for these intended purposes.

We are not aware of any material inconsistencies among assumptions used in this work. The models itself does not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence. The calculations and presentation of results relies on the assumptions used and the reasonability of the assumptions selected. The output of the models used in this analysis is considered reasonable based on the aggregation of assumptions used. However, a different set of results could also be considered reasonable based on a range of possible values used for each assumption.

The individuals signing or delivering this report have relied on other WTW employees and actuaries who develop, test and maintain each of the proprietary models used for this analysis and have also performed a limited review of assumptions and results to ensure that the models have been set up appropriately and coded correctly. We have not relied on any external experts to develop, review, or validate the models used in this analysis.

Appendix B : Summary of principal other postretirement benefit plan provisions

Health Care Benefits

Eligibility	Participants are eligible upon retirement after age 55 with ten years of service or upon attaining age 55 with ten years of service after becoming permanently disabled. If involuntary termination, then eligible after age 50 with ten years of service. Employees hired on or after January 1, 2014 are not eligible to participate in the plan.
Surviving spouse	After the death of a retiree or active employee eligible to retire, surviving spouses are eligible until death or remarriage. Surviving children are also eligible, subject to the limiting age provision outlined above.
Dependent	Eligible dependents are spouse, unmarried children under age 19 (age 25 if a full-time student) and unmarried disabled children of any age.

Benefits – Post-65

The AEP Post-65 Medical Plan provides broad medical coverage through two Medicare Advantage plans with \$2,000 annual out-of-pocket maximums. Key differences between the two options offered to retirees are:

	Medicare Select	Medicare Standard
Deductible	\$0	\$200
Coinsurance	5%	20%
In-patient copay	\$250 per stay	\$200 per day (1-5)

Prescription drug benefits are provided under a separate design with the following copayments:

	Generic	Brand Name Formulary	Brand Name Nonformulary
30-day retail	\$10 copay	20% \$20 minimum \$100 maximum	35% \$35 minimum \$200 maximum
90-day retail	\$20 copay	20% \$50 minimum \$200 maximum	35% \$90 minimum \$300 maximum

Prescription drug benefits are also subject to a \$50 deductible and a \$1,000 out-of-pocket maximum per person.

Deductibles and out-of-pocket maximums are assumed to increase over time at approximately the same rate as benefit costs.

Benefits – Pre-65

Pre-65 retirees can elect coverage under the following plan options:

	HRA	HSA Plus	HSA Basic
Embedded Individual Amounts	None	Out-of-Pocket Maximum only	Deductible & Out-of-Pocket Maximum
Deductible			
• Individual	\$1,500	\$2,000	\$2,800
• Two Person	\$2,250	\$3,000	\$5,400
• Family	\$3,000	\$4,000	\$8,100
AEP Account Seed			
• Single	\$1,000	\$500	\$0
• Two Person	\$1,500	\$750	\$0
• Family	\$2,000	\$1,000	\$0
Coinsurance	85%	85%	90%
Out-of-Pocket Maximum			
• Individual	\$4,000	\$4,000	\$4,000
• Two Person	\$6,000	\$6,000	\$8,000
• Family	\$8,000	\$8,000	\$12,000

Deductibles, account seeds and out-of-pocket maximums are assumed to increase over time at approximately the same rate as benefit costs.

Retiree contributions

Participant contributions are determined as a percentage of plan costs and vary by points (age at retirement plus service) as follows:

<i>Points</i>	<i>Retiree Cost</i>
65-69	46%
70-74	42
75-79	36
80-84	32
85-89	26
90-94	22
95+	20
Grandfathered	20

Spousal coverage requires contribution rates 5% higher than the retiree rates shown in the table above. These percentages do not apply to surviving spouses who pay 50% for pre-65 coverage and 25% for post-65 coverage.

For participants retiring on or after January 1, 2013, AEP's subsidy is capped at \$11,500 and \$3,800 times employer cost sharing percentage for pre-65 and post-65 participants, respectively.

For East participants who retired prior to January 1, 1989, and West participants who retired prior to January 1, 1993, no contributions are required.

For East participants who retired on or after January 1, 1989, and West participants who retired on or after January 1, 1993, the 20% "Grandfathered" contributions are in effect if they retired by December 31, 2000, or attained age 50 and had ten or more years of service with the company on that date. The percentages described above

are applied to plan costs that differ from the per capita claims costs assumed in the valuation as follows:

The Medicare status of dependents is not used to determine whether “pre-65” or “post-65” rates apply. The pre-65 plan rates used to calculate participant contributions are a blend of pre-65 retiree costs and active employee costs for those participants retired prior to January 1, 2013, only.

For purposes of determining retiree contribution rates, AEP excludes the value of the government’s monthly direct payment amount and its catastrophic reinsurance payments from offsetting the plan cost to which the contribution percentages are applied.

Disabled employee contributions

Disabled employees are offered coverage for the same rates as active employees while an employee remains disabled and is receiving LTD benefits.

If an employee retires while disabled and became disabled before January 1, 2001, a waiver of premium provision continues for life as long as the retirement commenced on or before September 1, 2013. If an employee retires while disabled and became disabled after January 1, 2001, the employee will be subject to the same contribution schedule as normal retirees, based on age and service points earned prior to LTD commencement.

Those participants retiring after January 1, 2013, pay a percentage of true pre-65 retiree costs.

Life Insurance Benefits

Eligibility	Employees hired after January 1, 2011 are not eligible for a postretirement life insurance benefit.
Grandfathered participants	Participants over age 50 with ten years of service as of December 31, 2000.
Death benefit amount	Participants who had not turned 50 with 10 years of service as of December 31, 2010 are eligible for a non-contributory \$30,000 death benefit.
Grandfathered benefits	Grandfathered participants have the option of keeping current coverage. Active employee coverage for grandfathered East participants is one times final base pay at no cost with the option to buy up to two times base pay. The entire amount of coverage (basic plus supplemental) in force prior to retirement can be carried into retirement subject to reduction beginning at age 66. Current coverage for grandfathered West participants is one and one-half times final base pay prior to age 60, one times final base pay from age 60 to 64 and one-half times final base pay after age 65. In 2001, employees who had turned 50 with 10 years of service had the option to elect a non-contributory benefit at 50% of pay.

Life Insurance Benefit Reduction Table for Grandfathered East Participants

<i>Years of Coverage</i>	<i>Age 66</i>	<i>Age 67</i>	<i>Age 68</i>	<i>Age 69</i>	<i>Age 70 or Over</i>
10 – 11	65%	55%	45%	35%	25%
11 – 12	70	60	50	40	30
12 – 13	75	65	55	45	35
13 – 14	80	70	60	50	40
14 – 15	85	75	65	55	45
15 or more	90	80	70	60	50

Grandfathered contributions Grandfathered East retirees must contribute \$0.60/\$1,000 of coverage (basic + supplemental) per month. West retirees are not required to contribute to the cost of coverage.

Dental Benefits

Eligibility Participants, including retirees and surviving dependents, are eligible upon retirement after age 55 with ten years of service. There is a one-time election and if coverage terminates there is no opportunity to reenroll.

Benefits The AEP Dental Plan provides dental coverage with a deductible of \$50 single/\$150 family, 100% coinsurance for preventive care, 80% coinsurance for basic restorative care, 50% coinsurance for major restorative care and 50% coinsurance for orthodontia (for children under age 19). The plan has an annual maximum benefit of \$1,750 per person.

Most retirees pay the full cost of dental coverage if they enroll. CSW employees who retired before January 1, 1993, contribute nothing to enroll for dental coverage. Former CSW employees retiring after January 1, 1993, who were either retired or had attained age 50 with ten years of service as of January 1, 2001, pay 40% (45% for spouses) of the full plan cost.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

Overview of Benefits Provided by Funding Vehicles

Funding Vehicle	Provides for
Non-union postretirement medical/dental VEBAs	9.5% of retiree medical benefits and 100% of dental benefits to non-union retirees.
Union postretirement medical/dental VEBAs	100% of medical/dental benefits to union retirees.
Postretirement life insurance VEBA	Life insurance benefits for all retirees.
401(h) account	90.5% of retiree medical benefits for non-union retirees.

Appendix C : Results by business unit

**AMERICAN ELECTRIC POWER
NON-UMWA POSTRETIREMENT WELFARE PLAN
SUMMARY OF PLAN PARTICIPANTS FOR THE 2023 VALUATION**

Location	Nonretired Participants		Retired Participants					Total
	Active	Total	Retiree	Dependent		Surviving Spouse	Disabled	
				Spouse	Spouse			
140 Appalachian Power Co. - Distribution	570	570	1,032	616	267	42	1,957	
215 Appalachian Power Co. - Generation	417	417	950	564	202	27	1,743	
150 Appalachian Power Co. - Transmission	5	5	118	79	22	2	221	
Appalachian Power Co. - FERC	992	992	2,100	1,259	491	71	3,921	
225 Cedar Coal Co	0	0	1	0	5	0	6	
Appalachian Power Co. - SEC	992	992	2,101	1,259	496	71	3,927	
211 AEP Texas Central Company - Distribution	572	572	792	418	239	18	1,467	
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	
169 AEP Texas Central Company - Transmission	88	88	70	39	30	2	141	
AEP Texas Central Co.	660	660	862	457	269	20	1,608	
119 AEP Texas North Company - Distribution	134	134	253	133	56	6	448	
166 AEP Texas North Company - Generation	0	0	64	27	30	0	121	
192 AEP Texas North Company - Transmission	37	37	30	14	11	0	55	
AEP Texas North Co.	171	171	347	174	97	6	624	
AEP Texas	831	831	1,209	631	366	26	2,232	
170 Indiana Michigan Power Co. - Distribution	275	275	592	296	170	8	1,066	
132 Indiana Michigan Power Co. - Generation	96	96	378	238	66	2	684	
190 Indiana Michigan Power Co. - Nuclear	582	582	619	362	88	5	1,074	
120 Indiana Michigan Power Co. - Transmission	62	62	134	79	25	3	241	
280 Ind Mich River Transp Lakin	72	72	144	62	34	15	255	
Indiana Michigan Power Co. - SEC	1,087	1,087	1,867	1,037	383	33	3,320	
110 Kentucky Power Co. - Distribution	121	121	223	111	38	10	382	
117 Kentucky Power Co. - Generation	13	13	206	126	48	4	384	
180 Kentucky Power Co. - Transmission	1	1	14	8	4	0	26	
Kentucky Power Co.	135	135	443	245	90	14	792	
250 Ohio Power Co. - Distribution	826	826	1,494	789	417	20	2,720	
160 Ohio Power Co. - Transmission	10	10	162	93	63	2	320	
Ohio Power Co.	836	836	1,656	882	480	22	3,040	
167 Public Service Co. of Oklahoma - Distribution	367	367	487	264	147	7	905	
198 Public Service Co. of Oklahoma - Generation	146	146	254	140	59	5	458	
114 Public Service Co. of Oklahoma - Transmission	38	38	60	40	9	1	110	
Public Service Co. of Oklahoma	551	551	801	444	215	13	1,473	
159 Southwestern Electric Power Co. - Distribution	308	308	356	182	68	8	614	
168 Southwestern Electric Power Co. - Generation	344	344	339	200	79	12	630	
161 Southwestern Electric Power Co. - Texas - Distribution	125	125	170	96	45	9	320	
111 Southwestern Electric Power Co. - Texas - Transmission	0	0	0	0	0	0	0	
194 Southwestern Electric Power Co. - Transmission	55	55	49	27	20	3	99	
Southwestern Electric Power Co.	832	832	914	505	212	32	1,663	
230 Kingsport Power Co. - Distribution	32	32	47	26	10	1	84	
260 Kingsport Power Co. - Transmission	0	0	7	2	2	0	11	
Kingsport Power Co.	32	32	54	28	12	1	95	
210 Wheeling Power Co. - Distribution	21	21	66	40	14	4	124	
200 Wheeling Power Co. - Transmission	0	0	0	0	3	0	3	
413 Wheeling Power Co - Generation	110	110	129	88	0	12	229	
Wheeling Power Co.	131	131	195	128	17	16	356	
103 American Electric Power Service Corporation	3,099	3,099	3,773	1,969	402	48	6,192	
293 Elmwood	0	0	35	1	0	0	36	
292 AEP River Operations LLC	0	0	146	42	5	0	193	
American Electric Power Service Corporation	3,099	3,099	3,954	2,012	407	48	6,421	
270 Cook Coal Terminal	5	5	10	7	1	0	18	
AEP Generating Company	5	5	10	7	1	0	18	
104 Cardinal Operating Company	0	0	282	155	47	0	484	
181 Ohio Power Co. - Generation	0	0	1,034	604	285	2	1,925	
AEP Generation Resources - FERC	0	0	1,316	759	332	2	2,409	
290 Conesville Coal Preparation Company	0	0	9	5	3	0	17	
AEP Generation Resources - SEC	0	0	1,325	764	335	2	2,426	
400 AEP Energy	52	52	16	5	2	1	24	
AEP Energy Supply	52	52	1,341	769	337	3	2,450	
143 AEP Pro Serv, Inc.	0	0	1	1	0	0	2	
AEP Pro Serv, Inc.	0	0	1	1	0	0	2	
245 Dolet Hills	16	16	99	37	2	0	138	
Dolet Hills	16	16	99	37	2	0	138	
Total	8,599	8,599	14,645	7,985	3,018	279	25,927	

AMERICAN ELECTRIC POWER
NON-UMWA PLAN
2023 NET PERIODIC POSTRETIREMENT BENEFIT COST

EXHIBIT I - NON-UMWA

Location	Service Cost	Interest Cost	Expected Return on Assets	"Other Cost"		Total "Other" Cost	Net Periodic Postretirement Benefit Cost
				Amortizations			
				PSC	(G)/L		
140 Appalachian Power Co - Distribution	\$257,430	\$3,316,946	(\$8,302,876)	(\$4,655,048)	\$1,154,004	(\$8,486,974)	(\$8,229,544)
147 Appalachian Power Co - Generation	235,731	2,777,652	(6,945,846)	(3,776,986)	965,393	(6,979,787)	(6,744,056)
150 Appalachian Power Co - Transmission	1,965	321,531	(801,409)	(700,040)	111,387	(1,068,531)	(1,066,566)
Appalachian Power Co. - FERC	\$495,126	\$6,416,129	(\$16,050,131)	(\$9,132,074)	\$2,230,784	(\$16,535,292)	(\$16,040,166)
225 Cedar Coal Co	0	4,439	(11,403)	(5,175)	1,585	(10,554)	(10,554)
Appalachian Power Co. - SEC	\$495,126	\$6,420,568	(\$16,061,534)	(\$9,137,249)	\$2,232,369	(\$16,545,846)	(\$16,050,720)
211 AEP Texas Central Company - Distribution	\$242,397	\$2,399,029	(\$5,980,014)	(\$3,540,064)	\$831,153	(\$6,289,896)	(\$6,047,499)
147 AEP Texas Central Company - Generation	0	0	0	(9,150)	0	(9,150)	(9,150)
169 AEP Texas Central Company - Transmission	39,078	241,154	(594,959)	(358,807)	82,693	(629,919)	(590,841)
AEP Texas Central Co.	\$281,475	\$2,640,183	(\$6,574,973)	(\$3,908,021)	\$913,846	(\$6,928,965)	(\$6,647,490)
119 AEP Texas North Company - Distribution	\$53,222	\$731,782	(\$1,833,205)	(\$1,173,881)	\$254,794	(\$2,020,510)	(\$1,967,288)
166 AEP Texas North Company - Generation	0	130,165	(329,733)	(44,678)	45,829	(198,417)	(198,417)
192 AEP Texas North Company - Transmission	14,287	99,775	(247,090)	(216,756)	34,343	(329,728)	(315,441)
AEP Texas North Co.	\$67,509	\$961,722	(\$2,410,028)	(\$1,435,315)	\$334,966	(\$2,548,655)	(\$2,481,146)
AEP Texas	\$348,984	\$3,601,905	(\$8,985,001)	(\$5,343,336)	\$1,248,812	(\$9,477,620)	(\$9,128,636)
170 Indiana Michigan Power Co - Distribution	\$138,380	\$1,567,081	(\$3,926,427)	(\$2,349,517)	\$545,728	(\$4,163,135)	(\$4,024,755)
132 Indiana Michigan Power Co - Generation	36,010	1,042,303	(2,651,669)	(1,701,716)	368,551	(2,942,531)	(2,906,521)
190 Indiana Michigan Power Co - Nuclear	342,792	2,033,272	(5,057,239)	(3,293,537)	702,898	(5,614,606)	(5,271,814)
120 Indiana Michigan Power Co - Transmission	32,758	375,901	(937,356)	(541,659)	130,282	(972,832)	(940,074)
280 Ind Mich River Transp Lakin	43,557	371,465	(927,514)	(746,079)	128,914	(1,173,214)	(1,129,657)
Indiana Michigan Power Co. - SEC	\$593,497	\$5,390,022	(\$13,500,205)	(\$8,632,508)	\$1,876,373	(\$14,866,318)	(\$14,272,821)
110 Kentucky Power Co - Distribution	\$56,050	\$666,586	(\$1,665,418)	(\$1,112,568)	\$231,474	(\$1,879,926)	(\$1,823,876)
117 Kentucky Power Co - Generation	5,549	564,356	(1,440,709)	(563,425)	200,242	(1,239,536)	(1,233,987)
180 Kentucky Power Co - Transmission	1,243	38,144	(95,019)	(181,470)	13,207	(225,138)	(223,895)
Kentucky Power Co.	\$62,842	\$1,269,086	(\$3,201,146)	(\$1,857,463)	\$444,923	(\$3,344,600)	(\$3,281,758)
250 Ohio Power Co - Distribution	\$394,005	\$4,271,921	(\$10,704,526)	(\$5,350,270)	\$1,487,806	(\$10,295,069)	(\$9,901,064)
160 Ohio Power Co - Transmission	5,129	450,971	(1,129,942)	(919,317)	157,049	(1,441,239)	(1,436,110)
Ohio Power Co.	\$399,134	\$4,722,892	(\$11,834,468)	(\$6,269,587)	\$1,644,855	(\$11,736,308)	(\$11,337,174)
167 Public Service Co of Oklahoma - Distribution	\$185,630	\$1,434,795	(\$3,572,383)	(\$2,262,128)	\$496,520	(\$3,903,196)	(\$3,717,566)
198 Public Service Co of Oklahoma - Generation	86,368	749,187	(1,883,773)	(1,388,057)	261,823	(2,260,820)	(2,174,452)
114 Public Service Co of Oklahoma - Transmission	19,763	181,791	(453,827)	(288,177)	63,077	(497,136)	(477,373)
Public Service Co. of Oklahoma	\$291,761	\$2,365,773	(\$5,909,983)	(\$3,938,362)	\$821,420	(\$6,661,152)	(\$6,369,391)
159 Southwestern Electric Power Co - Distribution	\$150,678	\$1,102,060	(\$2,742,308)	(\$1,772,267)	\$381,149	(\$3,031,366)	(\$2,880,688)
168 Southwestern Electric Power Co - Generation	157,316	1,105,170	(2,750,678)	(1,990,840)	382,313	(3,254,035)	(3,096,719)
161 Southwestern Electric Power Co - Texas - Distribution	59,191	519,851	(1,297,799)	(870,518)	180,379	(1,468,087)	(1,408,896)
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	22,644	163,917	(406,048)	(255,828)	56,436	(441,523)	(418,879)
Southwestern Electric Power Co.	\$389,829	\$2,890,998	(\$7,196,833)	(\$4,889,453)	\$1,000,277	(\$8,195,011)	(\$7,805,182)
230 Kingsport Power Co - Distribution	\$20,917	\$145,063	(\$360,620)	(\$161,778)	\$50,122	(\$327,213)	(\$306,296)
260 Kingsport Power Co - Transmission	0	14,571	(36,549)	(35,769)	5,080	(52,667)	(52,667)
Kingsport Power Co.	\$20,917	\$159,634	(\$397,169)	(\$197,547)	\$55,202	(\$379,880)	(\$358,963)
210 Wheeling Power Co - Distribution	\$8,583	\$171,769	(\$433,468)	(\$235,733)	\$60,247	(\$437,185)	(\$428,602)
200 Wheeling Power Co - Transmission	0	1,176	(3,047)	(1,728)	424	(3,175)	(3,175)
413 Wheeling Power Co - Generation	77,220	418,778	(1,037,092)	(391,371)	144,144	(865,541)	(788,321)
Wheeling Power Co.	\$85,803	\$591,723	(\$1,473,607)	(\$628,832)	\$204,815	(\$1,305,901)	(\$1,220,098)
103 American Electric Power Service Corporation	\$1,569,062	\$11,554,406	(\$28,660,627)	(\$15,666,384)	\$3,983,497	(\$28,789,108)	(\$27,220,046)
293 Elmwood	0	26,967	(66,501)	(257,523)	9,243	(287,814)	(287,814)
292 AEP River Operations LLC	0	191,603	(480,022)	(1,158,960)	66,718	(1,380,661)	(1,380,661)
American Electric Power Service Corp	\$1,569,062	\$11,772,976	(\$29,207,150)	(\$17,082,867)	\$4,059,458	(\$30,457,583)	(\$28,888,521)
270 Cook Coal Terminal	\$2,080	\$30,031	(\$75,113)	(\$61,877)	\$10,440	(\$96,519)	(\$94,439)
AEP Generating Company	\$2,080	\$30,031	(\$75,113)	(\$61,877)	\$10,440	(\$96,519)	(\$94,439)
104 Cardinal Operating Company	\$0	\$640,161	(\$1,622,807)	(\$1,018,551)	\$225,552	(\$1,775,645)	(\$1,775,645)
181 Ohio Power Co - Generation	0	2,675,976	(6,776,575)	(3,895,209)	941,866	(7,053,942)	(7,053,942)
AEP Generation Resources - FERC	\$0	\$3,316,137	(\$8,399,382)	(\$4,913,760)	\$1,167,418	(\$8,829,587)	(\$8,829,587)
290 Conesville Coal Preparation Company	0	24,348	(61,863)	(46,941)	8,598	(75,858)	(75,858)
AEP Generation Resources - SEC	\$0	\$3,340,485	(\$8,461,245)	(\$4,960,701)	\$1,176,016	(\$8,905,445)	(\$8,905,445)
400 AEP Energy	25,734	60,618	(147,033)	(45,943)	20,435	(111,923)	(86,189)
AEP Energy Supply	\$25,734	\$3,401,103	(\$8,608,278)	(\$5,006,644)	\$1,196,451	(\$9,017,368)	(\$8,991,634)
143 AEP Pro Serv, Inc.	\$0	\$4,178	(\$10,257)	(\$873)	\$1,426	(\$5,526)	(\$5,526)
AEP Pro Serv, Inc.	\$0	\$4,178	(\$10,257)	(\$873)	\$1,426	(\$5,526)	(\$5,526)
245 Dolet Hills	\$13,741	\$183,827	(\$470,003)	(\$14,977)	\$65,325	(\$235,828)	(\$222,087)
Dolet Hills	\$13,741	\$183,827	(\$470,003)	(\$14,977)	\$65,325	(\$235,828)	(\$222,087)
Total	\$4,298,510	\$42,804,716	(\$106,930,747)	(\$63,061,575)	\$14,862,146	(\$112,325,460)	(\$108,026,950)