



# 1<sup>st</sup> Quarter 2024 Earnings Release Presentation

April 30, 2024



# “Safe Harbor” Statement Under the Private Securities Litigation Reform Act of 1995

## Darcy Reese, Vice President

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

## Annie Pribisko, Director

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

This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. Although AEP and each of its Registrant Subsidiaries believe that their expectations are based on reasonable assumptions, any such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Among the factors that could cause actual results to differ materially from those in the forward-looking statements are: changes in economic conditions, electric market demand and demographic patterns in AEP service territories, the economic impact of increased global trade tensions including the conflicts in Ukraine and the Middle East, and the adoption or expansion of economic sanctions or trade restrictions, inflationary or deflationary interest rate trends, volatility and disruptions in the financial markets precipitated by any cause including failure to make progress on 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, and (ii) during periods when the time lag between incurring costs and recovery is long and the costs are material, decreased demand for electricity, weather conditions, including storms and drought conditions, and the ability to recover significant storm restoration costs, limitations or restrictions on the amounts and types of insurance available to cover losses that might arise in connection with natural disasters or operations, the cost of fuel and its transportation, the creditworthiness and performance of fuel suppliers and transporters and the cost of storing and disposing of used fuel, including coal ash and spent nuclear fuel, the availability of fuel and necessary generation capacity and performance of generation plants, the ability to recover fuel and other energy costs through regulated or competitive electric rates, the ability to transition from fossil generation and the ability to build or acquire renewable generation, transmission lines and facilities (including the ability to obtain any necessary regulatory approvals and permits) when needed at acceptable prices and terms, including favorable tax treatment, meet cost caps imposed by regulators and other operational commitments to regulatory commissions and customers for renewable generation projects, and to recover all related costs, the impact of pandemics and any associated 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, new legislation, litigation or government regulation, including changes to tax laws and regulations, oversight of nuclear generation, energy commodity trading and new or heightened requirements for reduced emissions of sulfur, nitrogen, mercury, carbon, soot or particulate matter and other substances that could impact the continued operation, cost recovery and/or profitability of generation plants and related assets, the impact of federal tax legislation 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 operation and maintenance costs, prices and demand for power generated and sold at wholesale, changes in technology, particularly with respect to energy storage and new, developing, alternative or distributed sources of generation, the ability to recover through rates any remaining unrecovered investment in generation units that may be retired before the end of their previously projected useful lives, volatility and changes in markets for coal and other energy-related commodities, particularly changes in the price of natural gas, the impact of changing expectations and demands of customers, regulators, investors and stakeholders, including focus on 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, other postretirement benefit plans, captive insurance entity and nuclear decommissioning trust and the impact of such volatility on future funding requirements, accounting standards periodically issued by accounting standard-setting bodies, and other risks and unforeseen events, including wars and military conflicts, the effects of terrorism (including increased security costs), embargoes, wildfires, cyber security threats and other catastrophic events, the ability to attract and retain requisite work force and key personnel.



## Non-GAAP Financial Measures

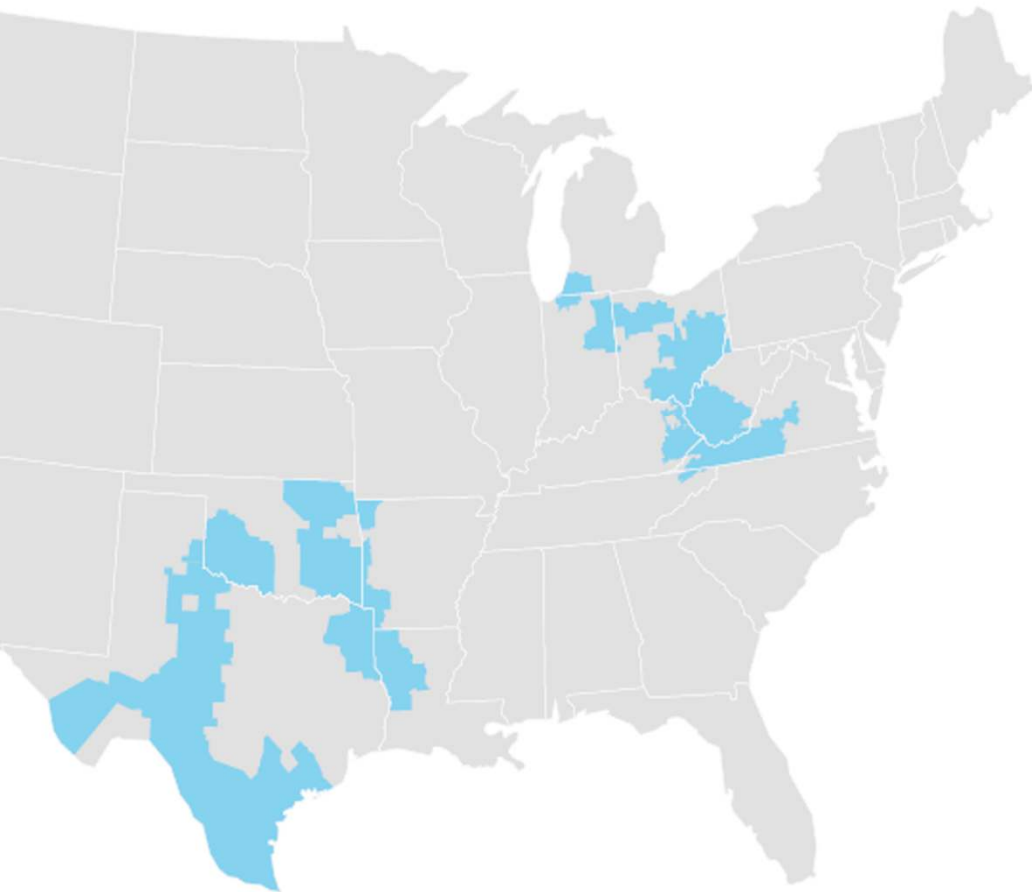
AEP reports its financial results in accordance with accounting principles generally accepted in the United States (GAAP). AEP supplements the reporting of financial information determined in accordance with GAAP with certain non-GAAP financial measures, including operating earnings (non-GAAP) and FFO 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 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 2024, the estimated earnings per share on a GAAP basis would be \$6.17 to \$6.37 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.



# AEP Is a Pure Play Regulated Utility



**40K**  
**TRANSMISSION MILES**  
Nation's largest electric transmission system

**225K**  
**DISTRIBUTION MILES**  
One of the largest distribution systems in the U.S.

**23GW**  
**OWNED GENERATION**  
Diverse generation fleet  
As of March 31, 2024

**\$98B**  
**TOTAL ASSETS**  
Strong balance sheet  
As of March 31, 2024

**\$66B**  
**RATE BASE**  
Solid rate base growth

**\$46B**  
**CURRENT MARKET CAPITALIZATION**  
As of April 29, 2024

**17,000**  
**EMPLOYEES**  
Across the system

**5.6M**  
**CUSTOMERS**  
Throughout 11 states

Statistics are as of December 31, 2023, unless separately disclosed.

# AEP Investment Thesis

*Powering the Future as One of the Largest Utilities in the U.S. by Rate Base and Market Cap*



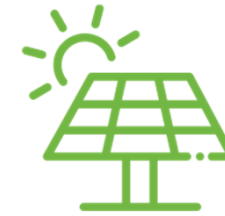
## Delivering Consistent, Strong Performance

- Commitment to 6%-7% annual operating earnings growth; dividend growth is in line with earnings
- 10%-11% consistent total shareholder return
- Strong balance sheet with a targeted FFO/Debt of 14%-15%
- 2024 operating earnings guidance range of \$5.53-\$5.73
- Advancing positive regulatory strategies to close the ROE gap



## Operating Attractive Transmission and Distribution Assets

- Largest transmission provider in the U.S. and one of the largest distribution providers in the U.S.
- Bolstered by organic growth with diversity in geographic footprint and customer base
- Flexible and robust capital plan of \$43B includes \$16B of transmission investment and \$11.3B of distribution investment
- High-growth transmission business supported by stable, predictable and transparent revenue stream



## Leading the Clean Energy Transition

- Proven track record of investing in sustainability and reducing fleet emissions
- Plans to add 20 GW of new resource opportunities between 2024 and 2033
- Target of net zero by 2045
- Capital forecast includes \$9.4B of regulated renewable investment



## Focusing on the Customer and Actively Managing the Business

- Improved customer rate outlook with a 3% annual bill increase over the 2024-2028 forecasted period enabled by renewables and economic development activities
- Immediate-term focus on simplifying business; continued execution of sale processes
- Thoughtful and proactive portfolio management and investment to support strategy
- Strong employee base led by experienced leaders with a shared passion for the AEP mission



# 1<sup>st</sup> Quarter 2024 Business Highlights

- Q1 2024 operating earnings of \$1.27 per share or \$670M
- Direction and strategy remain on track; reaffirm 2024 operating earnings guidance range of \$5.53-\$5.73 and 6%-7% long-term growth rate
- FFO/Debt of 14.2% within targeted 14%-15% range
- Commercial load grew 10.5% over Q1 last year driven by data centers; recently announced projects, along with other updates, will push up load forecast to be refreshed later this year
- Working through final phases of the Retail and Distributed Resources process and expect that process to conclude by the Q2 2024 earnings call
- Voluntary severance program announced to assist in managing labor costs, allow AEP to redeploy resources locally and mitigate impacts from inflationary pressures
- Positive developments in regulatory initiatives with a focus on strengthening relationships
  - Constructive approval obtained for the Ohio Electric Security Plan V in April 2024
  - Indiana settlement and Michigan base case in progress with orders expected in mid-2024
  - New base rate cases filed in AEP Texas, Oklahoma and Virginia in Q1 2024
  - Formula rate plans filed in Arkansas and Louisiana in April 2024
- Continued new generation resource execution with RFPs in process at I&M, KPCo, PSO and SWEPCO





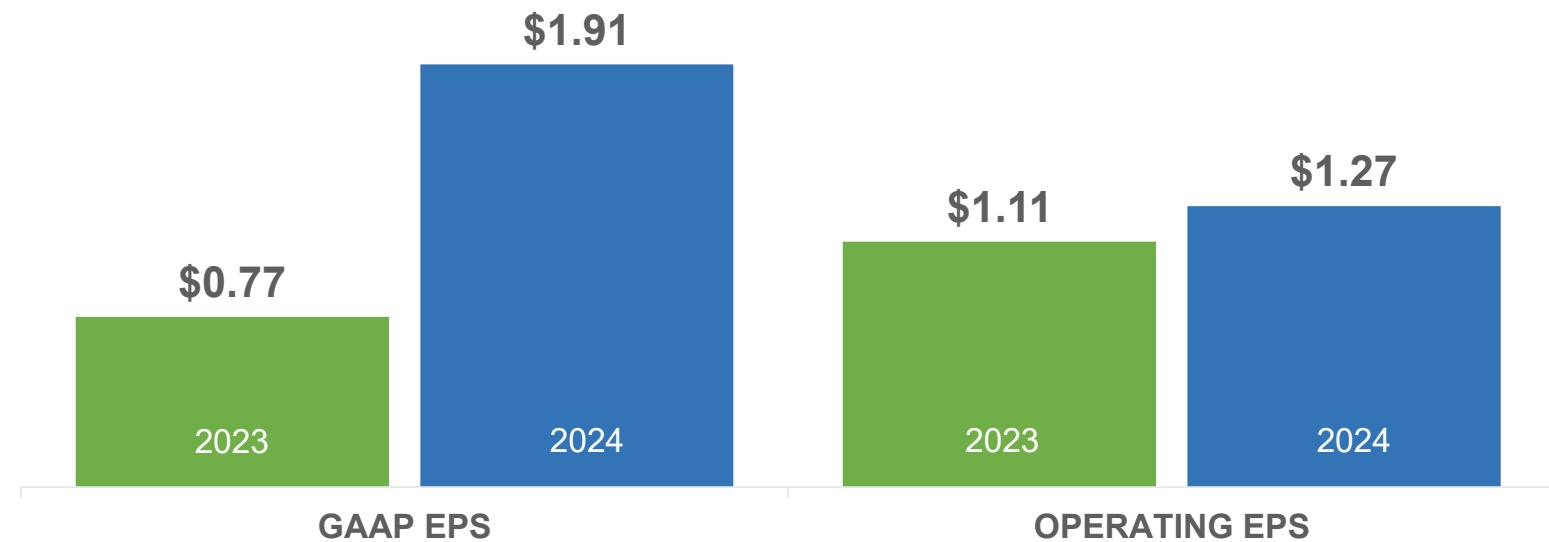
# 1<sup>st</sup> Quarter 2024 Financial Update

## 1<sup>st</sup> QUARTER 2024

- Delivered GAAP earnings of \$1.91 per share or \$1.0B for the first quarter of 2024
- Delivered operating earnings of \$1.27 per share or \$670M for the first quarter of 2024

Reaffirm 2024 operating earnings  
guidance of \$5.53-\$5.73

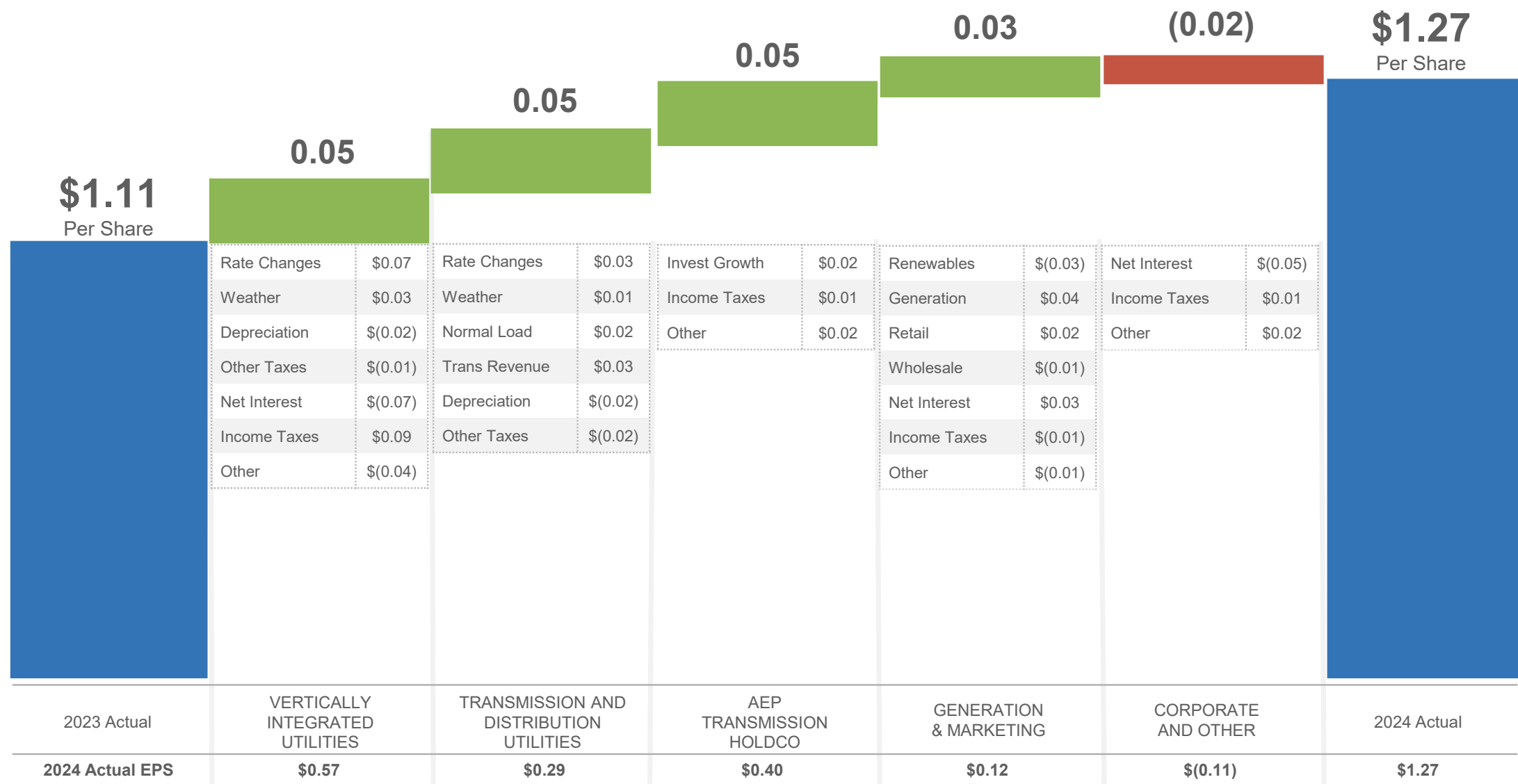
See Appendix for a reconciliation between GAAP and Operating EPS.





# 1<sup>st</sup> Quarter Operating Earnings Segment Detail

Key Drivers Q1-24 vs. Q1-23

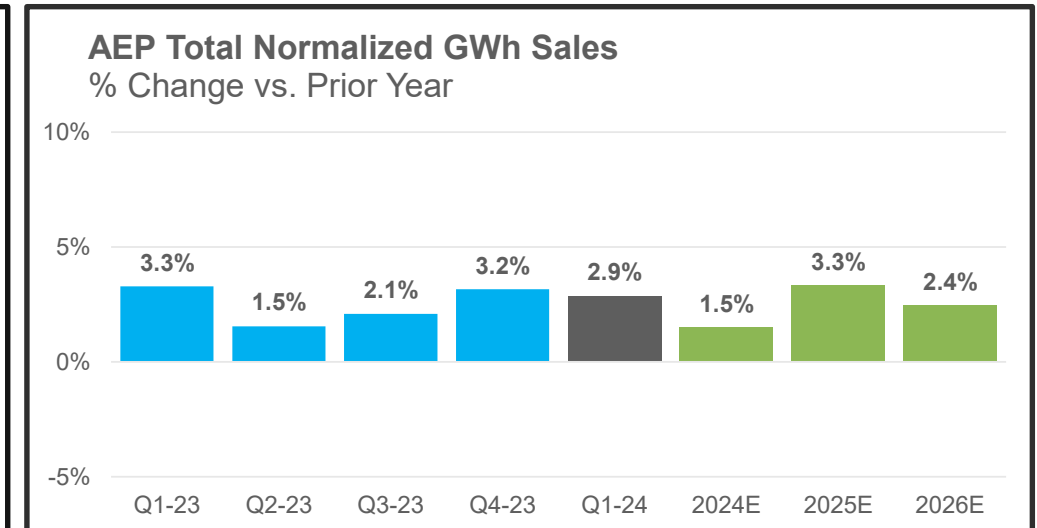
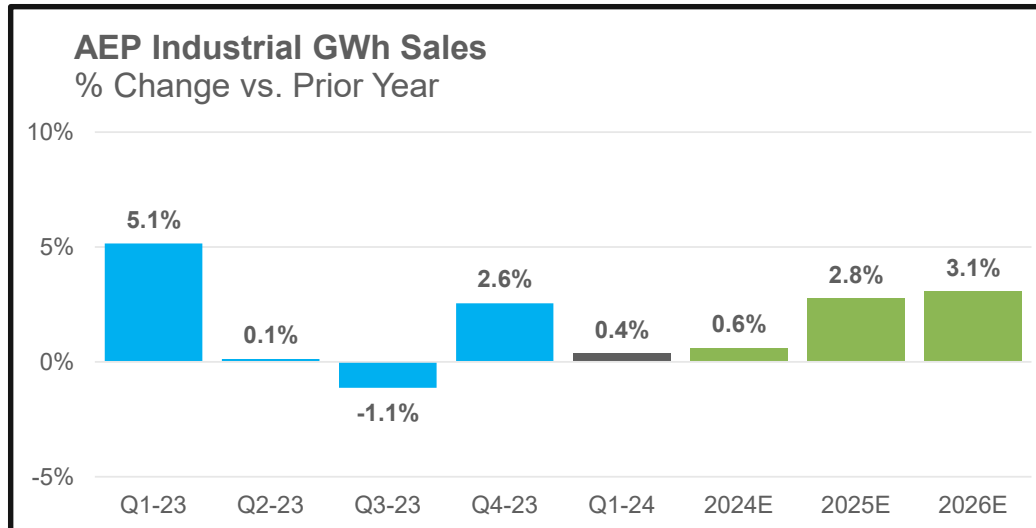
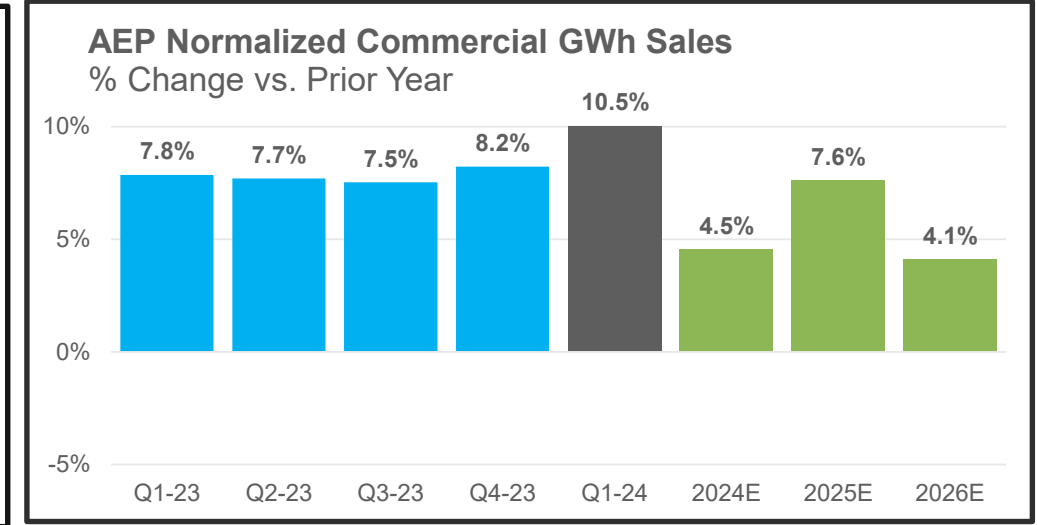
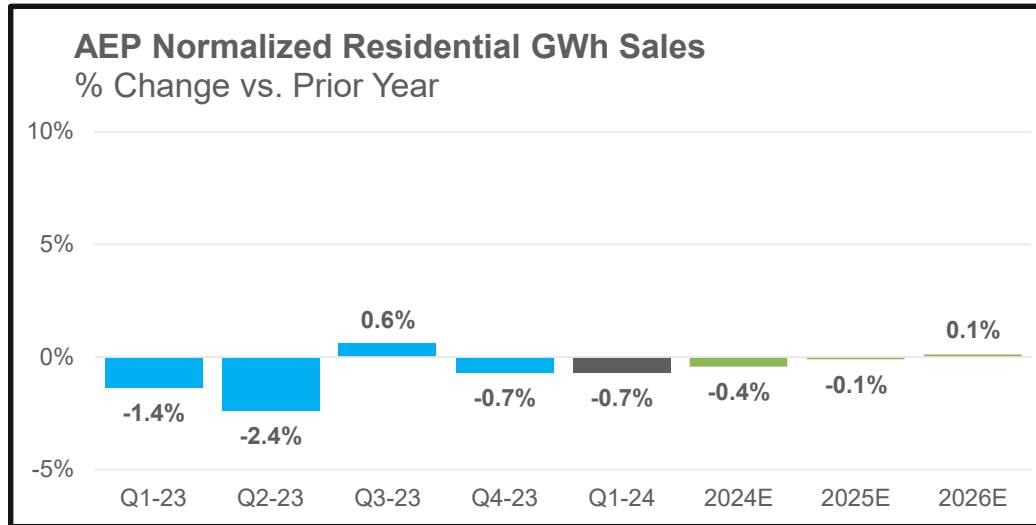






# Weather Normalized Billed Retail Load Trends

Load in AEP's service territory remains strong supported by data center growth



Load figures are billed retail sales excluding firm wholesale load.

2024 estimates based on forecast provided at 2023 EEI Financial Conference and adjusted to reflect 2023 actual results.



# Capitalization and Liquidity

3/31/2024 FFO/Debt was 14.2% and within the targeted range

<sup>1</sup> Moody's view as calculated by AEP and may not include all adjustments that could be made by the rating agency. See Appendix for FFO/Debt calculation.

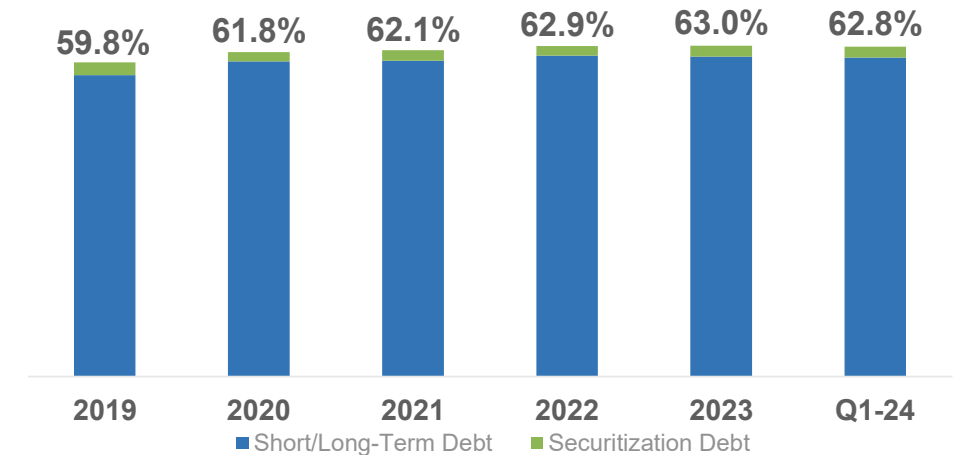
## FFO to Total Debt (Trailing 12 Months)<sup>1</sup>

3/31/2024	14.2%
Targeted Range	14%-15%

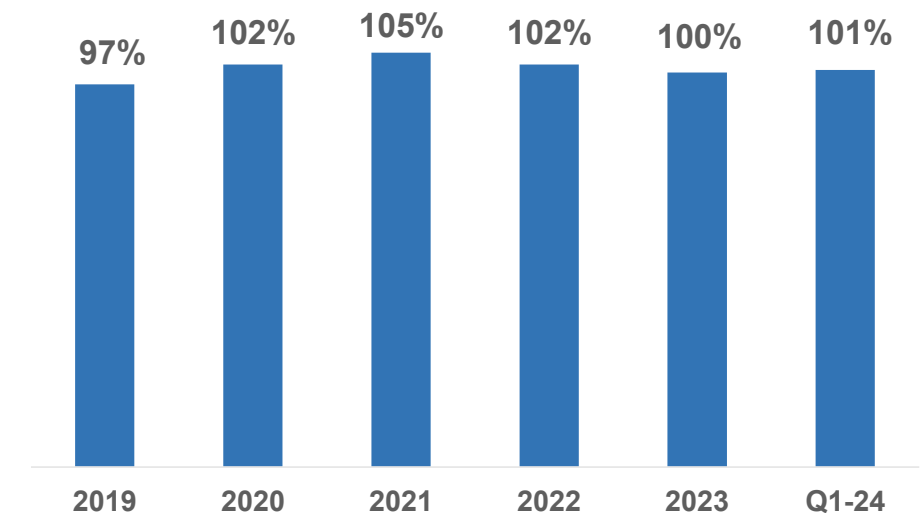
## Liquidity Summary

(\$ in millions)	3/31/2024 Actual	
	Amount	Maturity
Revolving Credit Facility	\$ 5,000	March 2029
Revolving Credit Facility	1,000	March 2027
<b>Plus</b>		
Cash & Cash Equivalents	231	
<b>Less</b>		
Commercial Paper Outstanding	(2,832)	
<b>Net Available Liquidity</b>	<b>\$ 3,399</b>	

## Total Debt/Total Capitalization



## Qualified Pension Funding





# 1<sup>st</sup> Quarter 2024 Wrap-Up

- Q1 2024 provided a solid foundation for the rest of the year
- Reaffirm 2024 operating earnings guidance range of \$5.53-\$5.73
- Committed to 6%-7% long-term growth rate
- FFO/Debt targeted range of 14%-15%
- Remain focused on achieving objectives including:
  - Improve financial performance at utilities
  - Manage labor costs due to inflation
  - Embrace economic development opportunities by serving large loads
- Successfully closed on our New Mexico solar assets in February 2024
- Working through final phases of the Retail and Distributed Resources process and expect that process to conclude by the Q2 2024 earnings call





# Appendix

Q1-24 Performance





# 1<sup>st</sup> Quarter Reconciliation of GAAP to Operating Earnings

Weighted average number of shares outstanding: 514.2M Q1-23 and 526.6M Q1-24

<sup>1</sup> Items recorded mainly or entirely in the Vertically Integrated Utilities segment.

<sup>2</sup> Items recorded mainly or entirely in the Generation & Marketing segment.

<sup>3</sup> Items recorded mainly or entirely in the Corporate and Other segment.


<sup>4</sup> Items recorded across multiple segments.

	\$ in millions			Earnings Per Share		
	Q1-23	Q1-24	Change	Q1-23	Q1-24	Change
<b>Reported GAAP Earnings</b>	\$ 397	\$ 1,003	\$ 606	\$ 0.77	\$ 1.91	\$ 1.14
<b>Non-Operating Items:</b>						
Impact of Net Operating Losses Carryforward on Retail Rate Making <sup>1</sup>	-	(260)	(260)	-	(0.50)	(0.50)
Mark-to-Market Impact of Commodity Hedging Activities <sup>4</sup>	119	(52)	(171)	0.23	(0.10)	(0.33)
Remeasurement of Excess ADIT Regulatory Liability – Turk Plant <sup>1</sup>	-	(32)	(32)	-	(0.06)	(0.06)
Dolet Hills Plant Disallowance <sup>1</sup>	-	11	11	-	0.02	0.02
Sale of Unregulated Renewables <sup>2</sup>	90	-	(90)	0.17	-	(0.17)
Kentucky Operations <sup>3</sup>	(34)	-	34	(0.06)	-	0.06
<b>AEP Operating Earnings</b>	<b>\$ 572</b>	<b>\$ 670</b>	<b>\$ 98</b>	<b>\$ 1.11</b>	<b>\$ 1.27</b>	<b>\$ 0.16</b>





# Vertically Integrated Utilities 1<sup>st</sup> Quarter Performance

## RATE PERFORMANCE

	Rate Changes, net of offsets (\$ in millions) Q1-24 vs. Q1-23
APCo/WPCo	\$17
I&M	\$(2)
KPCo	\$3
PSO	\$24
SWEPCO	\$3
Kingsport	-
<b>Total</b>	<b>\$45</b>
Impact on EPS	 \$0.07

## WEATHER IMPACT

	Weather Impact (\$ in millions)	
	Q1-24 vs. Q1-23	Q1-24 vs. Normal
APCo/WPCo	\$17	\$(32)
I&M	\$3	\$(14)
KPCo	\$(1)	\$(10)
PSO	\$(1)	\$(3)
SWEPCO	\$5	\$(5)
Kingsport	\$1	\$(1)
<b>Total</b>	<b>\$24</b>	<b>\$(65)</b>
Impact on EPS	 \$0.03	 \$0.10

## RETAIL LOAD PERFORMANCE

	Retail Load <sup>1</sup> (weather normalized) Q1-24 vs. Q1-23
APCo/WPCo	(0.3)%
I&M	3.0%
KPCo	1.8%
PSO	1.1%
SWEPCO	(0.2)%
Kingsport	(10.6)%
<b>Total</b>	<b>0.5%</b>
Impact on EPS <sup>2</sup>	-

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

<sup>2</sup> Includes EPS impact of accrued revenues.



# Transmission and Distribution Utilities 1<sup>st</sup> Quarter Performance

## RATE PERFORMANCE

	Rate Changes, net of offsets (\$ in millions) Q1-24 vs. Q1-23
AEP Ohio	\$4
AEP Texas	\$15
Total	\$19
Impact on EPS	\$0.03

## WEATHER IMPACT

	Weather Impact (\$ in millions)	
	Q1-24 vs. Q1-23	Q1-24 vs. Normal
AEP Ohio	\$16	\$(10)
AEP Texas	\$(7)	\$(2)
Total	\$9	\$(12)
Impact on EPS	\$0.01	\$0.02

## RETAIL LOAD PERFORMANCE

	Retail Load <sup>1</sup> (weather normalized) Q1-24 vs. Q1-23
AEP Ohio	4.3%
AEP Texas	7.6%
Total	5.7%
Impact on EPS <sup>2</sup>	\$0.02

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

<sup>2</sup> Includes EPS impact of accrued revenues.



# FFO to Total Debt<sup>1</sup>

**FFO to Total Debt = 14.2%**

**\$6,243M FFO / \$44,054M Adjusted Total Debt**

<sup>1</sup> Moody's view as calculated by AEP and may not include all adjustments that could be made by the rating agency.

<b>FFO Calculation</b> (in millions)	<b>12 Months Ended 3/31/2024</b>
<b>Cash Flow from Operations (GAAP)</b>	\$ 5,736
Changes in Working Capital	483
Operating Lease Depreciation	125
Capitalized Interest	(116)
Junior Subordinated Debentures Interest	15
<b>Funds Flow from Operations (FFO) (non-GAAP)</b>	<b>\$ 6,243</b>

<b>Total Debt Calculation</b> (in millions)	<b>As of 3/31/2024</b>
<b>Total Debt (incl. current maturities) (GAAP)</b>	\$ 43,574
Junior Subordinated Debentures (50%)	(375)
Operating Leases	616
Finance Lease Obligations	196
Pension	43
<b>Adjusted Total Debt (non-GAAP)</b>	<b>\$ 44,054</b>





# Appendix

Financial Forecast



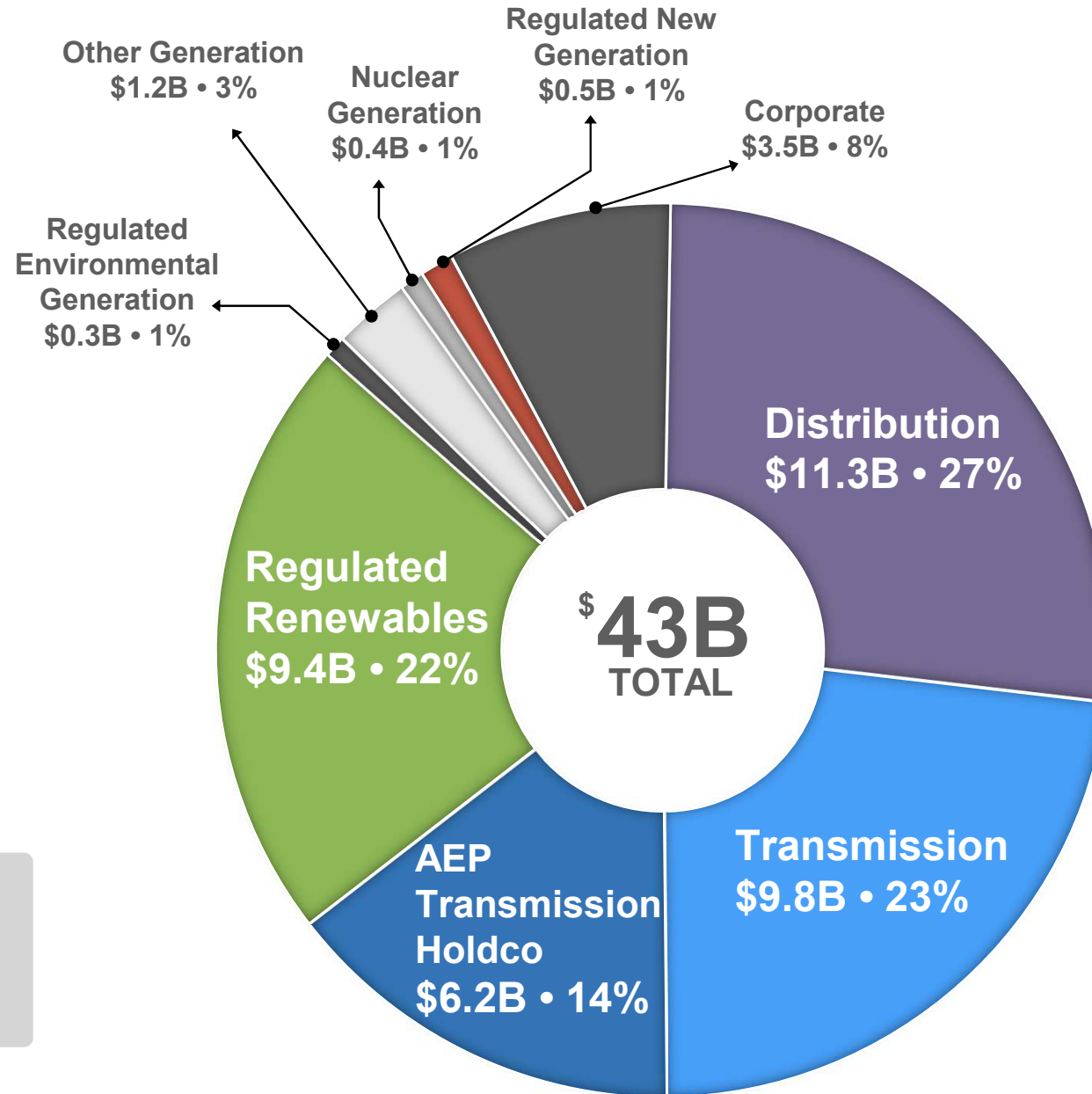


# 2024-2028 Capital Forecast of \$43B

The ability to quickly redeploy transmission and distribution investment ensures we deliver on our 6%-7% EPS growth commitment while mitigating customer bill impact

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

A balanced, flexible and robust capital plan designed to meet our customers needs



**100%**  
of capital allocated to regulated businesses

**\$27B 64%**  
allocated to wires

**\$9B 22%**  
allocated to regulated renewables

**7.2%**  
resulting rate base CAGR



# 2024-2028 Cash Flows and Financial Metrics

<sup>1</sup> Reflects original estimated after tax cash receipts to Parent of \$700M for sales currently in process.

<sup>2</sup> Targeted dividend growth is in-line with 6%-7% annual operating earnings growth, subject to approval by the Board of Directors. The stated target payout ratio range is 60%-70% of operating earnings.

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

\$ in millions	2024E	2025E	2026E	2027E	2028E
Cash from Operations	\$ 6,700	\$ 6,800	\$ 7,700	\$ 8,200	\$8,600
Net Cash Proceeds from Sale of Assets	700 <sup>1</sup>	-	-	-	-
Capital Expenditures:					
Capital and JV Equity Contributions	(7,000)	(6,200)	(6,400)	(6,400)	(7,200)
Renewable Capital Expenditures	(600)	(4,000)	(2,200)	(700)	(1,900)
Other Investing Activities	(200)	(300)	(200)	(200)	(200)
Common Dividends <sup>2</sup>	(1,900)	(2,100)	(2,200)	(2,400)	(2,600)
Required Capital	<b>\$ (2,300)</b>	<b>\$ (5,800)</b>	<b>\$ (3,300)</b>	<b>\$ (1,500)</b>	<b>\$ (3,300)</b>
<b>Financing</b>					
Required Capital	\$ (2,300)	\$ (5,800)	\$ (3,300)	\$ (1,500)	\$ (3,300)
Long-term Debt Maturities	(2,200)	(3,200)	(1,700)	(1,500)	(2,300)
Short-term Debt Repayments	-	-	-	-	-
Securitization Amortizations	(100)	(100)	(100)	(100)	(100)
Equity Units Conversion	-	-	-	-	-
Equity Issuances – Includes DRP	400	800	800	700	700
<b>Debt Capital Market Needs (New)</b>	<b>\$ (4,200)</b>	<b>\$ (8,300)</b>	<b>\$ (4,300)</b>	<b>\$ (2,400)</b>	<b>\$ (5,000)</b>
<b>Financial Metrics</b>					
Debt to Capitalization	Approximately 61%-63%				
FFO/Total Debt	14%-15% Target Range				



# Portfolio Management

## **Sold New Mexico Renewable Development (NMRD), a joint venture solar portfolio**

- On 2/27/2024, AEP closed on the transaction to sell 50% of NMRD to Exus North American Holdings, LLC. AEP and PNM Resources sold the portfolio of 15 solar projects totaling 625 MW
- Purchase price of approximately \$230M subject to true-up adjustments at close; AEP's share of the sale is about \$115M
- Cash proceeds of approximately \$107M after tax and transaction fees
- Asset contributes \$0.01 EPS in 2024 operating earnings guidance; the sale transaction will not have a material impact on financial results

## **Retail and Distributed Resources sales (not including NMRD)**

- Book value of AEP's investment as of 3/31/2024: \$237M Retail and \$349M Distributed Resources
- Asset EPS contributions in 2024 operating guidance: \$0.08 Retail and \$0.02 Distributed Resources
- Advisor hired and sale launched in August 2023; working through final phases of the process and expect that process to conclude by the Q2 2024 earnings call

**Simplifying the business**

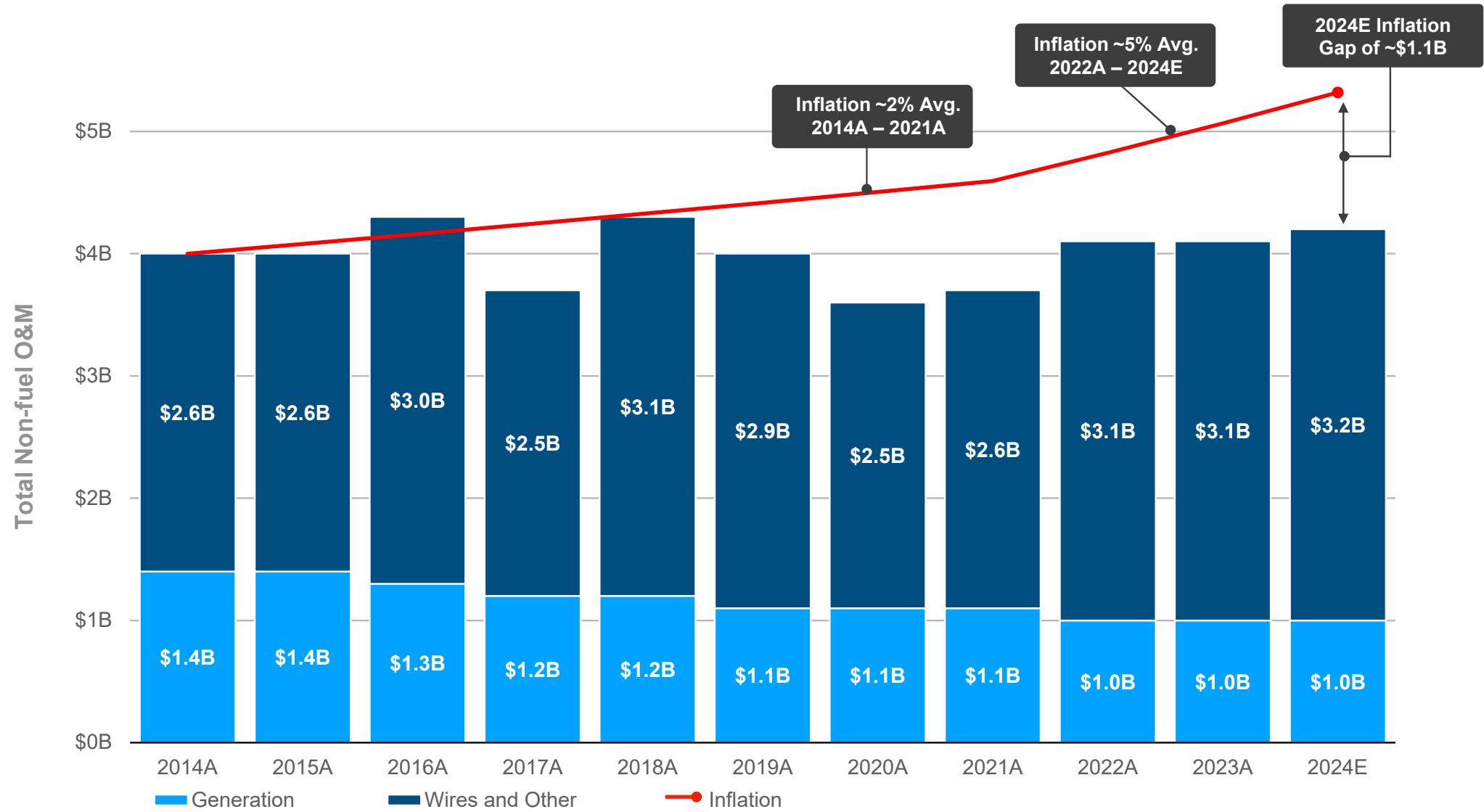


# Continuous Focus on O&M Efficiency

O&M discipline over time amid rising costs and growing asset base helps keep customer rates affordable

**\$44B** 2014A Net Plant **\$82B** 2024E Net Plant

Total tracked and untracked O&M are both actively managed to address customer affordability



(in billions)	2014A	2015A	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E
Untracked O&M	\$3.1	\$3.1	\$3.1	\$2.8	\$3.1	\$3.1	\$2.7	\$2.8	\$3.0	\$2.9	\$2.8



# Appendix

Regulatory and Generation Resources







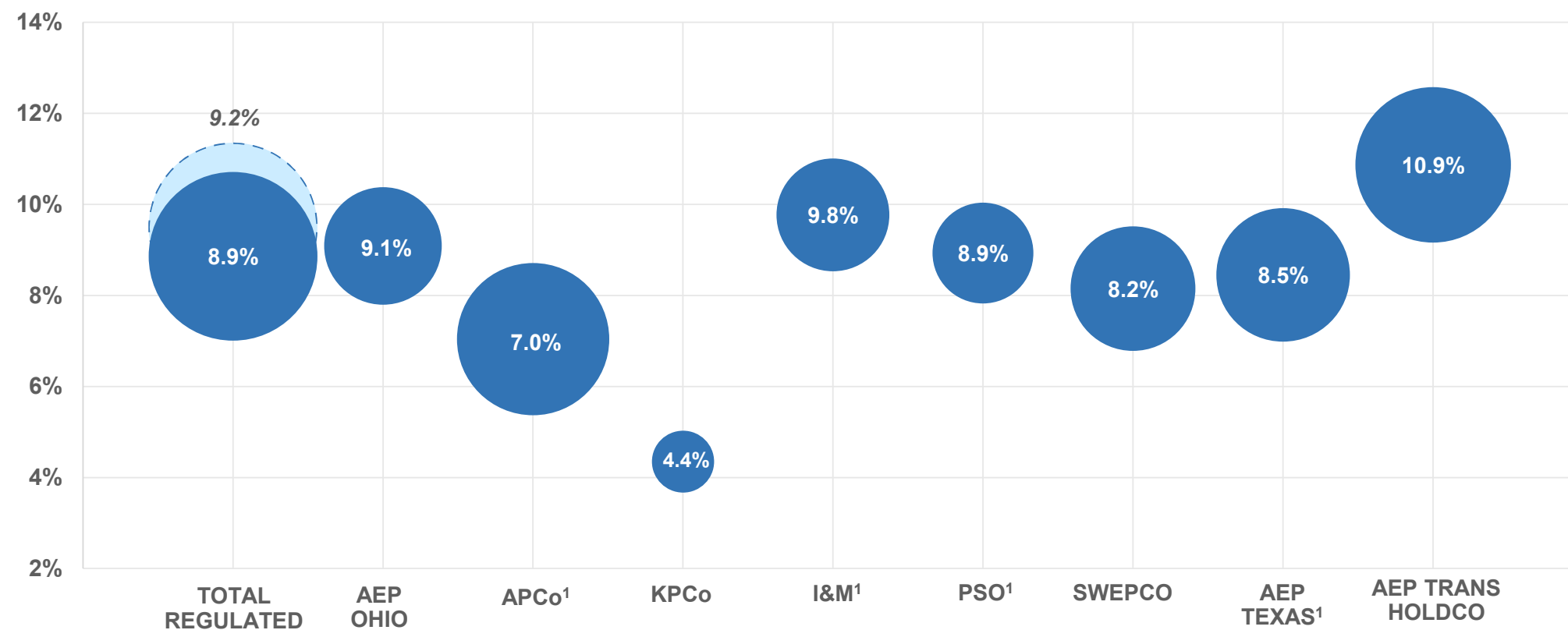
# Regulated Returns

Twelve Months Ended 3/31/2024 Earned ROE's – Total Regulated ROE was 8.9%  
(non-GAAP operating earnings, not weather normalized)

Regulated Operations ROE as of 3/31/2024 of 8.9%; depressed by approximately 30 bps on mild weather

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

-  12 Months Ended 3/31/2024 earned ROE; weather normalized
-  12 Months Ended 3/31/2024 earned ROE; not weather normalized





# Current Rate Case Activity

Continued focus on regulatory execution



## AEP Texas

Docket #	56165
Filing Date	2/29/2024
Requested Rate Base	\$9.3B
Requested ROE	10.6%
Cap Structure	55%D / 45%E
Gross Revenue Increase	\$164M (Less \$34 M D&A)
Net Revenue Increase	\$130M
Test Year	9/30/2023
<u>Procedural Schedule</u>	
Intervenor Testimony	5/16/2024
Rebuttal Testimony	6/7/2024
Hearing	6/18/2024
Expected Commission Order	End of 2024
Expected Effective Date	Q1-25



## 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
Net Revenue Increase	\$82M
Test Year	12/31/2023
<u>Procedural Schedule</u>	
Intervenor Testimony	8/2/2024
Rebuttal Testimony	8/16/2024
Hearing	9/10/2024
Expected Commission Order	Q4-24
Expected Effective Date	January 2025





# Current Rate Case Activity

Continued focus on regulatory execution



## I&M – Indiana

Docket #	45933
Filing Date	8/9/2023
Requested Rate Base	\$5.4B
Requested ROE	10.5%
Cap Structure	48.8%D / 51.2%E
Gross Revenue Increase	\$116M (Less \$75M D&A)
Net Revenue Increase	\$41M
Test Year	2024 Forecasted
<u>Settlement Summary</u>	Pending Commission Approval
Settlement Filed	12/20/2023
Expected Commission Order and Effective Date	June 2024
ROE	9.85%
Capital Structure	50%D / 50%E in 2024; 48.8%D / 51.2%E in 2025
Net Revenue Increase	\$16M in 2024; \$50M in 2025



## I&M - Michigan

Docket #	U-21461
Filing Date	9/15/2023
Requested Rate Base	\$1.3B
Requested ROE	10.5%
Cap Structure	49.4%D / 50.6%E
Revenue Increase	\$34M
Test Year	2024 Forecasted
<u>Procedural Schedule</u>	
Expected Commission Order and Effective Date	July 2024



## 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
<u>Procedural Schedule</u>	
Intervenor Testimony	5/28/2024
Rebuttal Testimony	6/24/2024
Hearing	7/23/2024
Expected Commission Order and Effective Date	Q3-24



# New Generation – Resource Plans Are Aligned with Capacity Needs

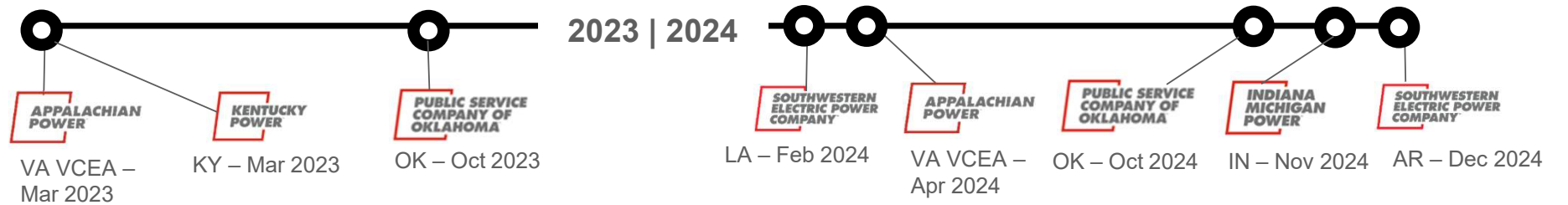
**Current IRPs identified ~20 GW of new generation opportunities over the next 10 years**

<sup>1</sup> Resource additions are from Integrated Resource Plans (IRP) filings.

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

<sup>3</sup> Natural gas additions may include peaking units and fuel switching to provide reliable, affordable and flexible power.

## IRP FILINGS



## 2024-2033 RESOURCE NEEDS

GENERATION ADDITIONS 2024-2033 (MW) <sup>1,2</sup>	SOLAR	WIND	STORAGE	NAT. GAS <sup>3</sup>	TOTAL
APCo	1,454	1,029	308	-	2,791
I&M	1,500	800	315	1,250	3,865
KPCo	800	700	-	480	1,980
PSO	1,193	4,053	20	1,200	6,466
SWEPco	973	1,399	400	2,253	5,025
<b>TOTAL</b>	<b>5,920</b>	<b>7,981</b>	<b>1,043</b>	<b>5,183</b>	<b>20,127</b>



# New Generation – Project Status

Approved owned projects total \$6.6B; projects pending commission approval total \$150M

<sup>1</sup> The approval also included PPAs for seven solar facilities for a total of 204 MW.

Approved projects may be impacted by market conditions during development.



Total Investment	Resource	Project	MWs	In Service/ Acquisition Date	Jurisdictional Status
209 MW / ~\$500M	Solar	Amherst / Virginia	5	2023	Projects <u>Approved</u> July 2022 Docket # PUR-2021-00206
	Wind	Top Hat / Illinois	204	2025	
143 MW / ~\$426M <sup>1</sup>	Wind	Grover Hill / Ohio	143	2026	Project <u>Approved</u> September 2023 Docket # PUR-2023-00001
469 MW / ~\$1.0B	Solar	Lake Trout / Indiana	245	2027	Indiana Order Projects <u>Approved</u> October 2023 Docket # 45868
	Solar	Mayapple / Indiana	224	2027	Michigan Orders Docket # U-21189 Mayapple <u>Approved</u> August 2023 Docket # U-21377 Lake Trout <u>Approved</u> December 2023
995.5 MW / ~\$2.5B	Solar	Algodon / Texas	150	2026	Projects <u>Approved</u> May 2023 Docket # 2022-000121
	Solar	Chisholm Trail / Kansas	103.5	2026	
	Solar	Pixley / Kansas	189	2025	
	Wind	Flat Ridge IV / Kansas	135	2025	
	Wind	Flat Ridge V / Kansas	153	2025	
154 MW / ~\$150M	Wind	Lazbuddie / Texas	265	2026	Inclusion of Rock Falls in rate base (Docket # PUD 2023-000086)
	Wind	Rock Falls / Oklahoma	154	2023	
999 MW / ~\$2.2B	Solar	Mooringsport / Louisiana	200	2027	Projects <u>Approved</u> June 2023 Arkansas Docket # 22-019-U Louisiana Docket # U-36385
	Wind	Diversion / Texas	201	2024	
	Wind	Wagon Wheel / Oklahoma	598	2025	



Total Projects Listed = 3.0 GW / \$6.8B Investment

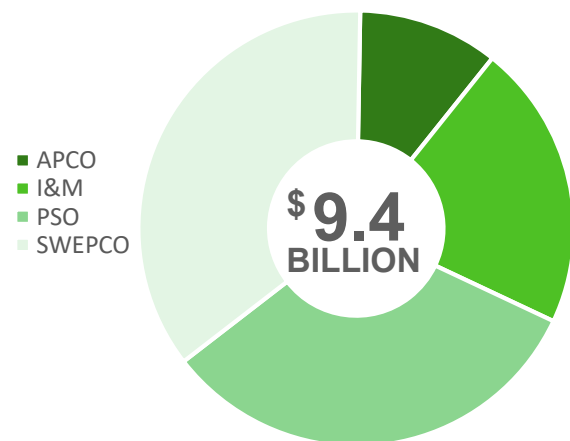


# New Generation – Investment Growth

Continuing execution on the \$9.4B regulated renewables investment over the next five years

RFPs IN PROGRESS <sup>1</sup>	INDIANA MICHIGAN POWER	PUBLIC SERVICE COMPANY OF OKLAHOMA	SOUTHWESTERN ELECTRIC POWER COMPANY
RFPs Issued	March 2023	November 2023	January 2024
Wind	800 MW	1,500 MW of SPP accredited capacity	2,100 MW of SPP accredited capacity
Solar	850 MW		
Storage	315 MW		
Natural Gas	540 MW		
Reg. Filings and Approvals	Q2-24 – Q2-25	Q4-24 – Q3-25	Q1-25 – Q1-26
Projected In-service Dates	2027	2027 or 2028	2027 or 2028

## 2024-2028 CAPEX



## REGULATED GENERATION INVESTMENT

### ~20 GW Opportunities

Significant long-term investment potential over the next decade

### Capital Flexibility

Investments contingent upon markets and regulatory approvals and are backed-up by a flexible pipeline of T&D investments

### Growth Drivers

Generation needs coupled with federal and state policies support renewable generation investments and extend our investment runway

<sup>1</sup> RFPs represent up-to MW capacity values; related regulatory filings will take into consideration commission preferences including owned and contracted resources. Additional RFP issuances are expected in the near term consistent with IRPs for energy and capacity needs. KPCo RFP details are not shown as the company only seeks contracted resources.