

American Electric Power
Non-UMWA Postretirement Health Care Plan
Actuarial Valuation Report
Postretirement Welfare Cost for Fiscal Year Ending
December 31, 2016 under U.S. GAAP

Employer Contributions for Plan Year Beginning
January 1, 2016

April 2016

Willis Towers Watson 

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Purpose and actuarial statement

Purposes of valuation

American Electric Power retained Towers Watson Delaware Inc. ("Willis Towers Watson"), to perform an actuarial valuation of its postretirement welfare programs for the purpose of determining the following:

- (1) The value of benefit obligations as of January 1, 2016, and American Electric Power's postretirement welfare cost for fiscal year ending December 31, 2016, in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715-60). It is anticipated that a separate report will be prepared for year-end financial reporting and disclosure purposes.
- (2) Plan reporting information in accordance with FASB Accounting Standards Codification Topic 965 (ASC 965).
- (3) Expected contributions under the plan sponsor's funding policy for the 2016 plan year.
- (4) The estimated maximum tax-deductible contribution for the tax year in which the 2016 plan year ends as allowed by the Internal Revenue Code. The maximum tax-deductible contribution should be finalized in consultation with American Electric Power's tax advisor.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

Reliances

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants, claims data, contributions and assets (if any) provided by American Electric Power and other persons or organizations designated by American Electric Power. 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. We have relied on all the information provided as complete and accurate. The results presented in this report are dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data and information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by American Electric Power, may produce materially different results that could require that a revised report be issued.

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 Willis Towers Watson. 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 ASC 715-60

The actuarial assumptions and methods employed in the development of the postretirement welfare cost have been selected by the plan sponsor with the concurrence of Willis Towers Watson, except for the expected rate of return on plan assets selected for fiscal 2016. Evaluation of the expected rate of return assumption was outside the scope of Willis Towers Watson's assignment and would have required substantial additional work that we were not engaged to perform. ASC 715-60 requires that each significant assumption "individually represent the best estimate of a particular future event".

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with American Electric Power's tax advisors and auditors.

Effects of Health Care Legislation

In March 2010, the Patient Protection and Affordable Care Act (PPACA) and Health Care and Education Reconciliation Act (HCERA) were enacted. The key aspects of the Acts affecting American Electric Power's benefit obligation and cost of providing retiree medical benefits are:

- Preventive care benefits covered at 100% beginning in 2011
- Mandatory coverage for adult children until age 26 beginning in 2011
- Loss of the tax free status of the Retiree Drug Subsidy (RDS) beginning in 2013
- Excise ("Cadillac") tax on high-cost plans beginning in 2020
- Elimination of lifetime maximums beginning in 2011
- Transitional reinsurance fees beginning in 2014

All subsequent measurements for tax purposes reflect the current law.

This valuation reflects our understanding of the relevant provisions of PPACA and HCERA. The IRS and HHS have yet to issue final guidance with respect to many aspects of this law. 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.

Nature of actuarial calculations

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated or selected by Willis Towers Watson, we consider reasonable and within the "best-estimate range" as described by the Actuarial Standards of Practice. Other actuarial assumptions could also be considered to be reasonable and within the best-estimate range. Thus, reasonable results differing from those presented in this report could have been developed by selecting different points within the best-estimate ranges for various assumptions.

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 certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Assumptions may be made, in consultation with American Electric Power, about participant data or other factors. 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. The numbers shown in this report are not rounded. This is for convenience only and should not imply precision; by their nature, actuarial calculations are not precise.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs or contribution requirements 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; increases or reductions 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. It is beyond the scope of this valuation to analyze the potential range of future postretirement welfare contributions, but we can do so upon request.

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

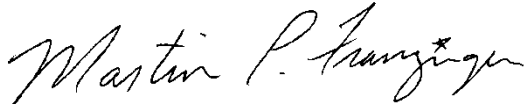
Limitations on use

This report is provided subject to the terms set out herein and in our master consulting services 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 American Electric Power and its auditors in connection with our actuarial valuation of the postretirement welfare 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. American Electric Power may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require American Electric Power to provide them this report, in which case American Electric Power will use best efforts to notify Willis Towers Watson in advance of this distribution, and will include the non-reliance notice included at the end of this report. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Willis Towers Watson's prior written consent. In the absence of such consent and an express assumption of responsibility, we accept no responsibility whatsoever for any consequences arising from any third party relying on this report or any advice relating to its contents. There are no intended third-party beneficiaries of this report or the work underlying it.

Professional Qualifications

The undersigned consulting actuaries 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 postretirement welfare plans. Our objectivity is not impaired by any relationship between American Electric Power and our employer, Towers Watson Delaware Inc.



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Towers Watson Delaware Inc.

April 2016

Section 1: Summary of key results

Benefit cost, assets & obligations

All monetary amounts shown in US Dollars

| Fiscal Year Beginning | | January 1, 2016 | January 1, 2015 |
|--|--|--------------------------------------|--------------------------------------|
| Benefit Cost/ (Income) | Net Periodic Postretirement Benefit Cost/(Income) | (76,551,152) | (98,328,251) |
| Measurement Date | | January 1, 2016 | January 1, 2015 |
| Plan Assets | Fair Value of Assets (FVA) | 1,551,820,304 | 1,670,478,421 |
| Benefit Obligations | Accumulated Postretirement Benefit Obligation (APBO) | 1,373,723,945 | 1,354,017,568 |
| Funded Status | Funded Status | 178,096,359 | 316,460,853 |
| Accumulated Other Comprehensive (Income)/Loss | Net Transition Obligation/(Asset) | 0 | 0 |
| | Net Prior Service Cost/(Credit) | (549,183,980) | (623,477,277) |
| | Net Loss/(Gain) | 563,454,160 | 401,569,594 |
| | Total Accumulated Other Comprehensive (Income)/Loss | 14,270,180 | (221,907,683) |
| Assumptions¹ | Discount Rate | 4.30% | 4.00% |
| | Expected Long-term Return on Plan Assets | 7.00% | 6.75% |
| | Rate of Compensation/Salary Increase | Rates vary by age from 3.5% to 12.0% | Rates vary by age from 3.5% to 12.0% |
| | Current Health Care Cost Trend Rate | 7.00% | 6.25% |
| | Ultimate Health Care Cost Trend Rate | 5.00% | 5.00% |
| | Year of Ultimate Trend Rate | 2024 | 2020 |
| Participant Data | Census Date | January 1, 2016 | January 1, 2015 |
| Plan reporting (ASC 965) for Plan Year Beginning | | January 1, 2016 | January 1, 2015 |
| | Present value of accumulated benefits | 1,374,114,001 | 1,354,565,239 |
| | Market value of assets | 1,551,820,304 | 1,670,478,421 |
| | Plan reporting discount rate | 4.30% | 4.00% |
| Employer Contributions (net of Medicare subsidy) | | Plan Year 2016 | Plan Year 2015 |
| Cash Flow | Funding Policy contributions | 0 | 0 |
| | Maximum Tax Deductible contributions | 123,506,886 (est) | 112,651,434 |
| | Actual contributions | N/A | 0 |
| | Expected benefit payments and expenses, net of participant contributions | 97,338,870 | 96,378,874 |

Employer Contributions

Employer contributions are the amounts paid by American Electric Power 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.

¹ Rates are expressed on an annual basis where applicable.

American Electric Power'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). American Electric Power maximizes its contribution to the 401(h) account and contributes the remainder to the various VEBAs. American Electric Power may deviate from this policy, as permitted by its terms, based on cash, tax or other considerations.

Postretirement welfare cost and funded position

The cost of the postretirement welfare plan is determined in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). The fiscal 2016 postretirement welfare benefit cost/(income) for the plan is \$(76,551,152). Under U.S. GAAP, the funded position (fair value of plan assets less the projected benefit obligation, or "APBO") of each postretirement welfare plan at the plan sponsor's fiscal year-end (measurement date) is required to be reported as a liability. The APBO is the actuarial present value of benefits attributed to service rendered prior to the measurement date, taking into consideration expected future pay increases for pay-related plans. The plan's overfunded (underfunded) APBO as of January 1, 2016 was \$178,096,359 based on the fair value of plan assets of \$1,551,820,304 and the APBO of \$1,373,723,945.

Fiscal year-end financial reporting information and disclosures are prepared before detailed participant data and full valuation results are available. Therefore, the postretirement benefit asset (liability) at December 31, 2015 was derived from a roll forward of the January 1, 2015 valuation results, adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population. The next fiscal year financial reporting information will be developed based on the results of the January 1, 2016 valuation, projected to the end of the year and similarly adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population.

Change in postretirement welfare cost and funded position

The postretirement welfare cost/(income) increased from \$(98,328,251) in fiscal 2015 to \$(76,551,152) in fiscal 2016 and the funded position decreased from \$316,460,853 on January 1, 2015 to \$178,096,359 on January 1, 2016, as set forth below:

All monetary amounts shown in millions of US Dollars

| (\$ in millions) | Postretirement Welfare Cost |
|---|-----------------------------|
| Prior year | (98.3) |
| Change due to: | |
| ▶ Expected based on prior valuation and contributions during prior year | (2.6) |
| ▶ Unexpected noninvestment experience | 0.9 |
| ▶ Unexpected investment experience | 20.8 |
| ▶ Assumption changes | 2.0 |
| ▶ Changes in substantive plan* | 0.6 |
| Current year | (76.6) |

* Addition of Dolet Hills

Significant reasons for these changes include the following:

- Per capita claims costs were updated but did not greatly affect the postretirement welfare cost.

All monetary amounts shown in US Dollars

| | 2016 | 2015 |
|--|--------|-------|
| Medical (Overall Average) | | |
| Under age 65 | | |
| ▶ Aetna PPO | N/A | 9,265 |
| ▶ HSA Basic | 8,637 | N/A |
| ▶ HSA Plus | 9,529 | N/A |
| ▶ HRA | 10,578 | 9,443 |
| Age 65 and older (before Part D offsets) | | |
| ▶ COB | 4,633 | 4,129 |
| ▶ MOB | 3,387 | 3,222 |
| ▶ CSP | 1,999 | 2,086 |
| Medicare Part D Subsidy offsets | | |
| ▶ MOB/COB (EGWP) | (830) | (769) |
| ▶ CSP (RDS) | (274) | (283) |

See Appendix A for additional details on per capita claims costs assumptions including assumed claims costs adjusted for age-related morbidity adjustments.

- The discount rate increased 30 basis points since the prior year which decreased the postretirement welfare cost.
- Actual asset returns during 2015 were less than the assumed rate of 6.75% which increased the postretirement welfare cost.
- The health care trend assumption was increased to an initial rate of 7.00% decreasing to 5.00% in 2024, which increased the postretirement welfare cost.
- The expected return on assets assumption was increased from 6.75% to 7.00%, which decreased the postretirement welfare cost.
- Dolet Hills was extended coverage, which increased the postretirement welfare benefit cost.

Basis for valuation

Appendix A summarizes the assumptions and methods used in the valuation. Appendix B summarizes our understanding of the principal provisions of the plan being valued.

Changes in Assumptions

- Per capita claims costs were updated to reflect more recent retiree claims experience.
- Discount rate was changed from 4.00% to 4.30%.
- The medical and prescription drug trend assumption was changed from 6.25% in 2016, grading to an ultimate rate of 5.00% in 2020 to 7.00% in 2016, grading to an ultimate rate of 5.00% in 2024. The dental trend assumption was changed from 5.00% to 3.00% per year.
- The expected return on assets was changed to 7.00% from 6.75%.

Changes in Methods

None.

Changes in Benefits Valued

Benefits have been extended to Dolet Hills effective January 1, 2016.

Section 2: Actuarial exhibits

2.1 Balance sheet asset/(liability)

All monetary amounts shown in US Dollars

| Measurement Date | January 1, 2016 | January 1, 2015 |
|---|--------------------------------------|--------------------------------------|
| A Development of Balance Sheet Asset/(Liability)¹ | | |
| 1 Accumulated postretirement benefit obligation (APBO) | 1,373,723,945 | 1,354,017,568 |
| 2 Fair value of assets (FVA) | 1,551,820,304 | 1,670,478,421 |
| 3 Net balance sheet asset/(liability) | 178,096,359 | 316,460,853 |
| B Current and Noncurrent Allocation | | |
| 1 Noncurrent assets | 178,096,359 | 316,460,853 |
| 2 Current liabilities | 0 | 0 |
| 3 Noncurrent liabilities | 0 | 0 |
| 4 Net balance sheet asset/(liability) | 178,096,359 | 316,460,853 |
| C Accumulated Other Comprehensive (Income)/Loss | | |
| 1 Net transition obligation/(asset) | 0 | 0 |
| 2 Net prior service cost/(credit) | (549,183,980) | (623,477,277) |
| 3 Net loss/(gain) | 563,454,160 | 401,569,594 |
| 4 Accumulated other comprehensive (income)/loss ² | 14,270,180 | (221,907,683) |
| D Assumptions and Dates | | |
| 1 Discount rate | 4.30% | 4.00% |
| 2 Rate of compensation/salary increase | Rates vary by age from 3.5% to 12.0% | Rates vary by age from 3.5% to 12.0% |
| 3 Current health care cost trend rate | 7.00% | 6.25% |
| 4 Ultimate health care cost trend rate | 5.00% | 5.00% |
| 5 Year of ultimate trend rate | 2024 | 2020 |
| 6 Census date | January 1, 2016 | January 1, 2015 |

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

² Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

2.2 Summary and comparison of postretirement benefit cost and cash flows

All monetary amounts shown in US Dollars

| Fiscal Year Ending | December 31, 2016 | December 31, 2015 |
|---|---|---|
| A Total Postretirement Benefit Cost | | |
| 1 Employer service cost | 9,318,249 | 10,816,370 |
| 2 Interest cost | 57,400,055 | 52,684,680 |
| 3 Expected return on assets | (105,278,181) | (109,557,619) |
| 4 Subtotal | (38,559,877) | (46,056,569) |
| 5 Net prior service cost/(credit) amortization | (68,626,236) | (69,056,806) |
| 6 Net loss/(gain) amortization | 30,634,961 | 16,785,124 |
| 7 Transition obligation/(asset) amortization | 0 | 0 |
| 8 Amortization subtotal | (37,991,275) | (52,271,682) |
| 9 Net periodic postretirement benefit cost/(income) | (76,551,152) | (98,328,251) |
| B Assumptions¹ | | |
| 1 Discount rate | 4.30% | 4.00% |
| 2 Long-term rate of return on assets | 7.00% | 6.75% |
| 3 Rate of compensation/salary increase | Rates vary by age from 3.5% to 12.0% | Rates vary by age from 3.5% to 12.0% |
| 4 Current health care cost trend rate | 7.00% | 6.25% |
| 5 Ultimate health care cost trend rate | 5.00% | 5.00% |
| 6 Year ultimate trend rate is expected | 2024 | 2020 |
| C Census Date | | |
| | January 1, 2016 | January 1, 2015 |
| D Assets at Beginning of Year | | |
| 1 Fair market value | 1,551,820,304 | 1,670,478,421 |
| E Cash Flow | | |
| | Expected | Actual |
| 1 Employer contributions | 0 | 0 |
| 2 Plan participants' contributions | 35,878,980 | 33,261,944 |
| 3 Benefits paid from plan assets | 133,276,640 | 123,508,785 |
| 4 Expected Medicare retiree drug subsidy on current year benefit payments | (58,790) | (514,882) |

¹ These assumptions were used to calculate the Net Postretirement Benefit Cost/ (Income) as of the beginning of the year. Rates are expressed on an annual basis where applicable. For assumptions used for interim measurement periods, if any, refer to Appendix A.

2.3 Detailed results for postretirement welfare cost and funded position

All monetary amounts shown in US Dollars

| Detailed results | January 1, 2016 | January 1, 2015 |
|---|-----------------|-----------------|
| A Service Cost | | |
| 1 Medical | 6,850,199 | 7,784,451 |
| 2 Life insurance | 2,468,050 | 3,031,919 |
| 3 Dental | 0 | 0 |
| 4 Total | 9,318,249 | 10,816,370 |
| B Accumulated Postretirement Benefit Obligation [APBO] | | |
| 1 Medical ¹ : | | |
| a Participants currently receiving benefits | 801,196,843 | 765,381,619 |
| b Fully eligible active participants | 38,916,502 | 29,981,855 |
| c Other participants | 163,727,086 | 174,996,519 |
| d Total | 1,003,840,431 | 970,359,993 |
| 2 Life insurance: | | |
| a Participants currently receiving benefits | 278,556,172 | 281,047,212 |
| b Fully eligible active participants | 17,772,749 | 15,386,020 |
| c Other participants | 58,708,175 | 69,008,494 |
| d Total | 355,037,096 | 365,441,726 |
| 3 Dental: | | |
| a Participants currently receiving benefits | 14,610,629 | 18,215,849 |
| b Fully eligible active participants | 235,789 | 0 |
| c Other participants | 0 | 0 |
| d Total | 14,846,418 | 18,215,849 |
| 4 All Benefits: | | |
| a Participants currently receiving benefits | 1,094,363,644 | 1,064,644,680 |
| b Fully eligible active participants | 56,925,040 | 45,367,875 |
| c Other participants | 222,435,261 | 244,005,013 |
| d Total | 1,373,723,945 | 1,354,017,568 |
| C Assets | | |
| 1 Fair value [FV] | 1,551,820,304 | 1,670,478,421 |
| D Funded Position | | |
| 1 Overfunded (underfunded) APBO | 178,096,359 | 316,460,853 |
| 2 APBO funded percentage | 113.0% | 123.4% |

¹ The Transitional Reinsurance Fee was allocated among the different segments of the medical liability in proportion to the total medical liability.

E Amounts in Accumulated Other Comprehensive Income

| | | | |
|---|-------------------------------|---------------|---------------|
| 1 | Prior service cost (credit) | (549,183,980) | (623,477,277) |
| 2 | Net actuarial loss (gain) | 563,454,160 | 401,569,594 |
| 3 | Transition obligation (asset) | 0 | 0 |
| 4 | Total | 14,270,180 | (221,907,683) |

F Effect of Change in Health Care Cost Trend Rate

| | | | |
|---|---------------------------------------|--------------|--------------|
| 1 | One-percentage-point increase: | | |
| a | Sum of service cost and interest cost | 2,089,961 | 2,470,036 |
| b | APBO | 54,993,823 | 60,804,055 |
| 2 | One-percentage-point decrease: | | |
| a | Sum of service cost and interest cost | (1,544,014) | (1,717,224) |
| b | APBO | (45,202,710) | (48,286,909) |
| | | | |

2.4 ASC 965 (plan reporting) information

All monetary amounts shown in US Dollars

| Summary of Present Value of Benefits | January 1, 2016 | January 1, 2015 |
|---|-----------------|-----------------|
| A Medical (ignoring Retiree Drug Subsidy) | | |
| 1 Current retirees | 801,586,899 | 765,929,290 |
| 2 Active participants fully eligible for participants | 38,916,502 | 29,981,855 |
| 3 Other active participants | 163,727,086 | 174,996,519 |
| 4 Total | 1,004,230,487 | 970,907,664 |
| B Life Insurance | | |
| 1 Current retirees | 278,556,172 | 281,047,212 |
| 2 Active participants fully eligible for participants | 17,772,749 | 15,386,020 |
| 3 Other active participants | 58,708,175 | 69,008,494 |
| 4 Total | 355,037,096 | 365,441,726 |
| C Dental | | |
| 1 Current retirees | 14,610,629 | 18,215,849 |
| 2 Active participants fully eligible for participants | 235,789 | 0 |
| 3 Other active participants | 0 | 0 |
| 4 Total | 14,846,418 | 18,215,849 |
| D Total (ignoring Retiree Drug Subsidy) | | |
| 1 Current retirees | 1,094,753,700 | 1,065,192,351 |
| 2 Active participants fully eligible for participants | 56,925,040 | 45,367,875 |
| 3 Other active participants | 222,435,261 | 244,005,013 |
| 4 Total | 1,374,114,001 | 1,354,565,239 |

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 4.00% 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 | | Fiscal 2015 | Fiscal 2014 |
|--|---------------------------------------|---------------|---------------|
| A Medical (ignoring Retiree Drug Subsidy) | | | |
| 1 | Benefit obligation, beginning of year | 970,907,664 | 1,012,013,990 |
| 2 | Service cost | 7,784,451 | 10,209,364 |
| 3 | Interest cost | 37,683,366 | 45,537,253 |
| 4 | Participant contributions | 28,014,393 | 28,553,900 |
| 5 | Actuarial (gain)/loss | 61,795,934 | 11,077,530 |
| 6 | Plan amendments | 0 | 0) |
| 7 | Gross benefits paid | (101,955,321) | (136,484,373) |
| 8 | Benefit obligation, end of year | 1,004,230,487 | 970,907,664 |
| B Life Insurance | | | |
| 1 | Benefit obligation, beginning of year | 365,441,726 | 331,302,429 |
| 2 | Service cost | 3,031,919 | 2,704,640 |
| 3 | Interest cost | 14,438,813 | 15,399,540 |
| 4 | Participant contributions | 1,288,420 | 1,499,271 |
| 5 | Actuarial (gain)/loss | (12,720,149) | 28,897,356 |
| 6 | Plan amendments | 0 | 0 |
| 7 | Gross benefits paid | (16,443,633) | (14,361,510) |
| 8 | Benefit obligation, end of year | 355,037,096 | 365,441,726 |
| C Dental | | | |
| 1 | Benefit obligation, beginning of year | 18,215,849 | 18,389,332 |
| 2 | Service cost | 0 | 2,309 |
| 3 | Interest cost | 705,846 | 813,324 |
| 4 | Participant contributions | 3,959,131 | 4,321,558 |
| 5 | Actuarial (gain)/loss | (2,924,577) | 1,209,901 |
| 6 | Plan amendments | 0 | 0 |
| 7 | Gross benefits paid | (5,109,831) | (6,520,575) |
| 8 | Benefit obligation, end of year | 14,846,418 | 18,215,849 |
| D Total (ignoring Retiree Drug Subsidy) | | | |
| 1 | Benefit obligation, beginning of year | 1,354,565,239 | 1,361,705,751 |
| 2 | Service cost | 10,816,370 | 12,916,313 |
| 3 | Interest cost | 52,828,025 | 61,750,117 |
| 4 | Participant contributions | 33,261,944 | 34,374,729 |
| 5 | Actuarial (gain)/loss | 46,151,208 | 41,184,787 |
| 6 | Plan amendments | 0 | 0 |
| 7 | Gross benefits paid | (123,508,785) | (157,366,458) |
| 8 | Benefit obligation, end of year | 1,374,114,001 | 1,354,565,239 |

2.5 Basic results for employer contributions - VEBAs

All monetary amounts shown in US Dollars

| All Postretirement VEBAs | | Estimated December 31, 2016 | Actual December 31, 2015 |
|--------------------------|--|--------------------------------|-----------------------------|
| A | Qualified Asset Account Limits [QAAL] | 597,802,167 | 637,753,679 |
| B | Assets | | |
| 1 | Market value | 1,159,631,404 | 1,179,216,936 |
| 2 | Unrecognized investment losses (gains) | 0 | 0 |
| 3 | Actuarial value [AV] | 1,159,631,404 | 1,179,216,936 |
| C | Funded Position | | |
| 1 | Unfunded account limits [QAAL – FV] | (561,829,237) | (541,463,257) |
| D | Employer Contributions | | |
| 1 | Maximum deductible available | 121,825,463 | 110,671,659 |
| 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 VEBAs | 0 | 0 |
| c | Non-union medical and dental VEBAs | 0 | 0 |

2.6 VEBA deduction limits

All monetary amounts shown in US Dollars

| Retiree Life Insurance | 2015 | 2014 |
|---|-------------|-------------|
| A Qualified Asset Account Limit (QAAL) | | |
| 1 December 31 actuarial accrued liability | 229,502,632 | 225,791,893 |
| 2 Unrecognized liability | 0 | 0 |
| 3 QAAL | 229,502,632 | 225,791,893 |
| B Assets | | |
| 1 Market value as of December 31 | 118,830,974 | 131,561,938 |
| 2 Unrecognized investment losses (gains) | 0 | 0 |
| 3 Actuarial value [AV] | 118,830,974 | 131,561,938 |
| C Funded position | | |
| 1 Unfunded account limit [QAAL - AV] | 110,671,658 | 94,229,955 |
| 2 Contributions received in trust, but not yet deducted | | |
| Through 2008 | 0 | 0 |
| 2009 | 0 | 0 |
| 2010 | 0 | 0 |
| 2011 | 0 | 0 |
| 2012 | 0 | 0 |
| 2013 | 0 | 0 |
| 2014 | 0 | 0 |
| 2015 | 0 | N/A |
| Total | 0 | 0 |
| D Employer deductions for contributions to VEBAs | | |
| 1 Maximum deduction available ¹ [C.1 + Total of C.2] | 110,671,658 | 94,229,955 |
| 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 US Dollars

| Union Medical and Dental | 2015 | 2014 |
|---|---------------|---------------|
| A Qualified Asset Account Limit (QAAL) | | |
| 1 December 31 present value of projected benefits | 183,231,640 | 180,313,868 |
| 2 Unrecognized liability | 0 | 0 |
| 3 QAAL | 183,231,640 | 180,313,868 |
| B Assets | | |
| 1 Market value as of December 31 | 436,005,018 | 462,037,345 |
| 2 Unrecognized investment losses (gains) | 0 | 0 |
| 3 Actuarial value [AV] | 436,005,018 | 462,037,345 |
| C Funded position | | |
| 1 Unfunded account limit [QAAL - AV] | (252,773,378) | (281,723,477) |
| 2 Contributions received in trust, but not yet deducted | | |
| Through 2008 | 0 | 0 |
| 2009 | 0 | 0 |
| 2010 | 0 | 0 |
| 2011 | 0 | 0 |
| 2012 | 0 | 0 |
| 2013 | 0 | 0 |
| 2014 | 0 | 0 |
| 2015 | 0 | N/A |
| Total | 0 | 0 |
| D Employer deductions for contributions to VEBAs | | |
| 1 Maximum deduction available ¹ [C.1 + Total of C.2] | 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 US Dollars

| Non-Union Retiree Medical and Dental | 2015 | 2014 |
|---|---------------|---------------|
| A Qualified Asset Account Limit (QAAL) | | |
| 1 December 31 actuarial accrued liability | 225,019,406 | 295,426,449 |
| 2 Unrecognized liability | 0 | 0 |
| 3 QAAL | 225,019,406 | 295,426,449 |
| B Assets | | |
| 1 Market value as of December 31 | 624,380,944 | 699,800,062 |
| 2 Unrecognized investment losses (gains) | 0 | 0 |
| 3 Actuarial value [AV] | 624,380,944 | 699,800,062 |
| C Funded position | | |
| 1 Unfunded account limit [QAAL - AV] | (399,361,538) | (404,373,613) |
| 2 Contributions received in trust, but not yet deducted | | |
| Through 2008 | 0 | 0 |
| 2009 | 105,440,603 | 105,440,603 |
| 2010 | 73,467,453 | 73,467,453 |
| 2011 | 38,701,148 | 38,701,148 |
| 2012 | 68,292,490 | 68,292,490 |
| 2013 | 0 | 0 |
| 2014 | 0 | 0 |
| 2015 | 0 | N/A |
| Total | 285,901,694 | 285,901,694 |
| 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.

2.7 Cumulative nondeductible contributions

All monetary amounts shown in US Dollars

Non-Union Retiree Medical and Dental VEBAs

| | Contributions Made by December 31, 2015, but Not Deducted as of December 31, 2014 | Deductible in 2015 | Remaining Nondeductible Contributions as of December 31, 2015 |
|-------|--|---------------------------|--|
| 2004 | \$0 | \$0 | \$0 |
| 2005 | 0 | 0 | 0 |
| 2006 | 0 | 0 | 0 |
| 2007 | 0 | 0 | 0 |
| 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 |
| Total | \$285,901,694 | \$0 | \$285,901,694 |

Retiree Life Insurance VEBAs

| | Contributions Made by December 31, 2015, but Not Deducted as of December 31, 2014 | Deductible in 2015 | Remaining Nondeductible Contributions as of December 31, 2015 |
|-------|--|---------------------------|--|
| 2004 | \$0 | \$0 | \$0 |
| 2005 | 0 | 0 | 0 |
| 2006 | 0 | 0 | 0 |
| 2007 | 0 | 0 | 0 |
| 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 |
| Total | \$0 | \$0 | \$0 |

2.8 Development of maximum deductible contribution – 401(h)

All monetary amounts shown in US Dollars

| Plan Year Beginning | January 1, 2016 |
|---|-----------------|
| A Development of Maximum Deductible Contribution | |
| 1 Present value of projected benefits | 368,776,935 |
| 2 Fair value of assets | 372,603,368 |
| 3 Unfunded surplus [1 - 2] | (3,826,433) |
| 4 Average present value of future service | 12 |
| 5 Preliminary maximum deductible contribution | |
| a 10% of unfunded surplus [10% x A.3] | (382,643) |
| b Aggregate normal cost [A.3 / A.4] | (318,869) |
| c Greater of A.5.a, A.5.b and 0 | 0 |
| 6 Preliminary maximum 2016 contribution [1.0753 x A.5.c] | 0 |
| 7 Subordination test (development shown below) | 52,826,519 |
| 8 Maximum deductible contribution ignoring expenses [lesser of A.6 and A.7] | 0 |
| 9 Total trust expenses paid from 401(h) account during 2015 | 1,681,423 |
| 10 Maximum deductible contribution including expenses [A.8 + A.9] | 1,681,423 |

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 * | N/A |
| | 2004 | 18,614,338 | 56,614,811 | N/A |
| | 2005 | 16,222,550 | 55,872,817 | N/A |
| | 2006 | 0 | 0 | N/A |
| | 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 |
| Cumulative pension contributions not for past service | | 149,356,355 | 151,652,682 | 736,810,851 |
| | | x 1/3 | x 1/3 | x 1/3 |
| | | 49,785,452 | 50,550,894 | 245,603,617 |
| Cumulative 401(h) contributions before plan year 2016 | | 49,785,452 | 50,550,894 | 192,777,098 |
| Subordination limit | | 0 | 0 | 52,826,519 |

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

2.9 Expected benefit disbursements, administrative expenses, and participant contributions

All monetary amounts shown in US Dollars

| | January 1, 2016 | January 1, 2015 |
|-----------------------------|-----------------|-----------------|
| A Medical and Dental | | |
| 1 Gross disbursements | 115,532,542 | 109,829,926 |
| 2 Participant contributions | (34,489,188) | (29,193,829) |
| 3 Net disbursements | 81,043,354 | 80,636,097 |
| B Life Insurance | | |
| 1 Gross disbursements | 17,744,098 | 17,367,445 |
| 2 Participant contributions | (1,389,792) | (1,552,786) |
| 3 Net disbursements | 16,354,306 | 15,814,659 |
| C Gross without RDS | | |
| 1 Gross disbursements | 133,276,640 | 127,197,371 |
| 2 Participant contributions | (35,878,980) | (30,746,615) |
| 3 Net disbursements | 97,397,660 | 96,450,756 |
| D RDS* | | |
| 1 Gross disbursements | (58,790) | (71,882) |
| 2 Participant contributions | 0 | 0 |
| 3 Net disbursements | (58,790) | (71,882) |
| E Net with RDS | | |
| 1 Gross disbursements | 133,217,850 | 127,125,489 |
| 2 Participant contributions | (35,878,980) | (30,746,615) |
| 3 Net disbursements | 97,338,870 | 96,378,874 |

* 2015-2016 RDS payments expected to be received in 2017-2018.

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Section 3: Data exhibits

3.1 Plan participant data

All monetary amounts shown in US Dollars

| Census Date | January 1, 2016 | January 1, 2015 |
|-------------|-----------------|-----------------|
|-------------|-----------------|-----------------|

A Participating Employees

| | | |
|---------------------------------------|-----------------|-----------------|
| 1 Number | | |
| a Fully eligible | 1,515 | 1,228 |
| b Other | 13,999 | 15,986 |
| c Total participating employees | 15,514 | 17,214 |
| 2 Total annual compensation/salary | \$1,493,280,887 | \$1,573,181,281 |
| 3 Average compensation/salary | \$96,254 | \$91,390 |
| 4 Average age (years) | 48.62 | 47.63 |
| 5 Average credited service (years) | 19.36 | 18.16 |
| 6 Average future working life (years) | | |
| a to full retirement age | 13.327 | 13.972 |
| b to full eligibility age | 11.794 | 12.162 |

B Retirees and Surviving Spouses

| | | |
|--|--------|--------|
| 1 Retirees and Surviving Spouses | | |
| a Number under 65 | 3,487 | 3,461 |
| b Number 65 and older | 13,765 | 13,519 |
| c Total ¹ | 17,252 | 16,980 |
| d Average age (years) | 73.2 | 73.1 |
| e. Age Distribution at January 1, 2016 | | |

| Age | Number |
|-------------|--------|
| Under 55 | 161 |
| 55-59 | 904 |
| 60-64 | 2,422 |
| 65-69 | 3,910 |
| 70-74 | 3,149 |
| 75-79 | 2,320 |
| 80-84 | 1,942 |
| 85 and over | 2,444 |

¹ Includes 370 disabled participants in 2016 and 404 disabled participants in 2015. These participants were not included in the calculation of the other data statistics in this section.

| Census Date | | January 1, 2016 | January 1, 2015 |
|-------------|---------------------------------------|-----------------|-----------------|
| C | Dependents | | |
| | 1 Number | 8,464 | 8,338 |
| | 2 Average Age | 68.54 | 68.55 |
| | 3 Age Distribution at January 1, 2016 | | |
| | | Age | Number |
| | | Under 55 | 377 |
| | | 55-59 | 889 |
| | | 60-64 | 1,719 |
| | | 65-69 | 2,144 |
| | | 70-74 | 1,454 |
| | | 75-79 | 941 |
| | | 80-84 | 623 |
| | | 85 and over | 317 |

Non-UMWA Postretirement Health Care Plan

3.2 Age and service distribution of participating employees

All monetary amounts shown in US Dollars

| Attained Age | | Attained Years of Credited Service and Number | | | | | | | | Total |
|--------------|------------------|---|-------------------------|---------------|---------------|----------------|---------------|---------------|---------------|-----------------|
| | | 0-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | Over 34 | |
| Under 25 | Count | 73 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 73 |
| | Total Earnings | \$4,539,356 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,539,356 |
| | Average Earnings | \$62,183 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$62,183 |
| 25-29 | Count | 370 | 259 | 3 | 0 | 0 | 0 | 0 | 0 | 632 |
| | Total Earnings | \$25,624,053 | \$20,358,126 | \$207,328 | \$0 | \$0 | \$0 | \$0 | \$0 | \$46,189,507 |
| | Average Earnings | \$69,254 | \$78,603 | \$69,109 | \$0 | \$0 | \$0 | \$0 | \$0 | \$73,085 |
| 30-34 | Count | 349 | 790 | 203 | 2 | 0 | 0 | 0 | 0 | 1,344 |
| | Total Earnings | \$26,158,576 | \$65,940,405 | \$17,580,351 | \$172,606 | \$0 | \$0 | \$0 | \$0 | \$109,851,938 |
| | Average Earnings | \$74,953 | \$82,469 | \$86,603 | \$86,303 | \$0 | \$0 | \$0 | \$0 | \$81,735 |
| 35-39 | Count | 259 | 683 | 480 | 140 | 3 | 0 | 0 | 0 | 1,565 |
| | Total Earnings | \$19,493,684 | \$57,511,497 | \$45,283,245 | \$12,729,433 | \$296,100 | \$0 | \$0 | \$0 | \$135,313,959 |
| | Average Earnings | \$75,265 | \$84,204 | \$94,340 | \$90,925 | \$98,700 | \$0 | \$0 | \$0 | \$86,463 |
| 40-44 | Count | 170 | 570 | 471 | 332 | 87 | 0 | 0 | 0 | 1,630 |
| | Total Earnings | \$13,307,215 | \$49,293,866 | \$45,141,185 | \$32,132,291 | \$8,834,319 | \$0 | \$0 | \$0 | \$148,708,876 |
| | Average Earnings | \$78,278 | \$86,480 | \$95,841 | \$96,784 | \$101,544 | \$0 | \$0 | \$0 | \$91,232 |
| 45-49 | Count | 149 | 455 | 354 | 324 | 332 | 248 | 11 | 0 | 1,873 |
| | Total Earnings | \$13,501,641 | \$39,156,853 | \$35,532,208 | \$34,291,795 | \$35,605,493 | \$26,675,327 | \$1,039,767 | \$0 | \$185,803,084 |
| | Average Earnings | \$90,615 | \$86,059 | \$100,373 | \$105,839 | \$107,245 | \$107,562 | \$94,524 | \$0 | \$99,201 |
| 50-54 | Count | 96 | 307 | 265 | 316 | 306 | 736 | 651 | 60 | 2,737 |
| | Total Earnings | \$8,321,315 | \$27,135,246 | \$26,631,002 | \$31,200,687 | \$29,394,052 | \$81,307,536 | \$66,265,454 | \$6,072,214 | \$276,327,506 |
| | Average Earnings | \$86,680 | \$88,388 | \$100,494 | \$98,736 | \$96,059 | \$110,472 | \$101,790 | \$101,204 | \$100,960 |
| 55-59 | Count | 73 | 207 | 194 | 222 | 218 | 524 | 968 | 1,045 | 3,451 |
| | Total Earnings | \$6,445,948 | \$18,483,938 | \$19,168,735 | \$22,177,739 | \$22,442,268 | \$51,268,416 | \$110,454,528 | \$107,688,202 | \$358,129,774 |
| | Average Earnings | \$88,301 | \$89,294 | \$98,808 | \$99,900 | \$102,946 | \$97,840 | \$114,106 | \$103,051 | \$103,776 |
| 60-64 | Count | 33 | 123 | 87 | 109 | 111 | 229 | 340 | 816 | 1,848 |
| | Total Earnings | \$2,904,205 | \$10,487,676 | \$8,886,969 | \$12,801,636 | \$10,171,938 | \$22,497,374 | \$35,158,556 | \$89,862,079 | \$192,770,433 |
| | Average Earnings | \$88,006 | \$85,266 | \$102,149 | \$117,446 | \$91,639 | \$98,242 | \$103,408 | \$110,125 | \$104,313 |
| 65-69 | Count | 1 | 33 | 31 | 24 | 18 | 39 | 46 | 136 | 328 |
| | Total Earnings | \$61,576 | \$2,760,081 | \$3,163,265 | \$2,043,769 | \$1,518,716 | \$3,480,033 | \$4,749,541 | \$14,453,998 | \$32,230,980 |
| | Average Earnings | \$61,576 | \$83,639 | \$102,041 | \$85,157 | \$84,373 | \$89,232 | \$103,251 | \$106,279 | \$98,265 |
| 70 & over | Count | 0 | 1 | 8 | 7 | 3 | 4 | 0 | 10 | 33 |
| | Total Earnings | \$0 | \$136,284 | \$942,190 | \$719,443 | \$304,892 | \$310,314 | \$0 | \$1,002,351 | \$3,415,472 |
| | Average Earnings | \$0 | \$136,284 | \$117,774 | \$102,778 | \$101,631 | \$77,578 | \$0 | \$100,235 | \$103,499 |
| Total | Count | 1,573 | 3,428 | 2,096 | 1,476 | 1,078 | 1,780 | 2,016 | 2,067 | 15,514 |
| | Total Earnings | \$120,357,570 | \$291,263,972 | \$202,536,478 | \$148,269,398 | \$108,567,777 | \$185,539,000 | \$217,667,847 | \$219,078,844 | \$1,493,280,886 |
| | Average Earnings | \$76,515 | \$84,966 | \$96,630 | \$100,454 | \$100,712 | \$104,235 | \$107,970 | \$105,989 | \$96,254 |
| Average: | Age | 48.6 | Number of Participants: | | | Fully eligible | 1,515 | Males | 12,754 | |
| | Service | 19.4 | | | Other | 13,999 | Females | 2,790 | | |

Census data as of January 1, 2016

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Appendix A: Statement of actuarial assumptions and methods

Actuarial Assumptions and Methods — Postretirement Welfare Cost and Funding/Tax Deductions Based on Plan Year beginning January 1, 2016

Economic Assumptions

| | Postretirement Welfare Cost | Plan Reporting | Employer Contributions |
|--|-----------------------------|----------------|------------------------|
| Discount rate ¹ | 4.30% | 4.30% | N/A |
| Rates of return on assets, pre-tax: ¹ | | | |
| 401(h) accounts | N/A | N/A | 7.78% |
| Life insurance and union medical/dental | N/A | N/A | 6.85% |
| Non-union medical/dental | N/A | N/A | 6.89% |
| Aggregate | 7.00% | N/A | N/A |
| Annual rates of compensation increase ¹ | | | |
| Representative rates | Age | Rate | |
| | < 26 | 12.00% | |
| | 26 – 30 | 8.50 | |
| | 31 – 35 | 7.00 | |
| | 36 – 40 | 6.00 | |
| | 41 – 45 | 5.00 | |
| | 46 – 50 | 4.00 | |
| | > 50 | 3.50 | |
| Weighted average | | 4.80% | |
| Medical cost trend rate ² | 2016 | 7.00% | |
| | 2017 | 6.75% | |
| | 2018 | 6.50% | |
| | 2019 | 6.25% | |
| | 2020 | 6.00% | |
| | 2021 | 5.75% | |
| | 2022 | 5.50% | |
| | 2023 | 5.25% | |
| | 2024+ | 5.00% | |
| Dental cost trend rate ² | 2016+ | 3.00% | |

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.

| | |
|-------------------------------------|---|
| 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. |

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. | |
| | <i>Current Retirees</i> | <i>Future Retirees</i> |
| Participation | Based on valuation census data. | 90% in 2016 with the rate decreasing by 5% annually to an ultimate rate of 75% in 2019. |
| Persistency | Non-capped retirees will drop coverage at a rate of 2% annually and Capped retirees will drop coverage at a rate of 4% annually. | Same as current retirees |
| Percent married | Based on valuation census data. | 69% for males, 50% for females. |
| Spouse age | Based on valuation census data. | Wife three years younger than husband. |

Demographic Assumptions

Mortality Based on modified versions of RP-2014 with long-term improvement rates of 0.75%.

Base mortality rates are derived from the RP-2014 mortality table with improvements factored to 2006 with no collar adjustments.

Mortality improvements are projected forward on a generational basis. Improvement rates grade linearly from the MP-2014 rate in 2007 to the ultimate rate in 2015:

| Age | Ultimate Improvement rate per year | Age | Ultimate improvement rate per year |
|----------------|------------------------------------|--------------|------------------------------------|
| 85 and younger | 0.750% | 91 | 0.300% |
| 86 | 0.675% | 92 | 0.225% |
| 87 | 0.600% | 93 | 0.150% |
| 88 | 0.525% | 94 | 0.075% |
| 89 | 0.450% | 95 and older | 0.000% |
| 90 | 0.375% | | |

Disabled mortality
 (through age 65)

Rates vary by age and sex.

Representative rates:

| Age | Males | Females |
|-----|-------|---------|
| 30 | 2.60% | 2.60% |
| 40 | 2.60 | 2.60 |
| 50 | 3.10 | 3.10 |
| 60 | 6.20 | 6.20 |

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 and service.

Representative rates:

| Percentage leaving during the year | | |
|------------------------------------|---------------------------------|-------------------------------|
| Attained Age | Less than five years of service | Five or more years of service |
| < 25 | 8.00% | 7.30% |
| 25 – 29 | 8.00% | 5.00% |
| 30 – 34 | 8.00% | 4.20% |
| 35 – 39 | 8.00% | 3.40% |
| 40 – 44 | 8.00% | 2.50% |
| 45 – 49 | 8.00% | 1.90% |
| 50 + | 8.00% | 1.70% |

Retirement

Rates vary by age.

Representative rates:

| Percentage retiring during the year | |
|-------------------------------------|---------|
| Age | Rate |
| 55 – 57 | 1.00% |
| 58 – 60 | 6.00% |
| 61 – 63 | 16.00% |
| 64 – 69 | 13.00% |
| 70 + | 100.00% |
| Age | Rate |

2016 Per Capita Claims Costs

Medical

| Prior to age 65 | <i>Age</i> | <i>HSA Basic</i> | <i>HSA Plus</i> | <i>HRA</i> |
|-----------------|------------|------------------|-----------------|------------|
| | < 50 | 5,404 | 5,962 | 6,618 |
| | 50 – 54 | 6,313 | 6,965 | 7,731 |
| | 55 – 59 | 7,031 | 7,756 | 8,610 |
| | 60 – 64 | 9,565 | 10,553 | 11,714 |
| | Average | 8,637 | 9,529 | 10,578 |

| Age 65 and after (net of Medicare Parts A & B) | <i>Age</i> | <i>COB</i> | <i>MOB</i> | <i>CSP</i> |
|--|------------|------------|------------|------------|
| | 65 – 69 | 3,888 | 3,101 | 1,507 |
| | 70 – 74 | 4,510 | 3,585 | 1,763 |
| | 75 – 79 | 4,853 | 3,837 | 1,913 |
| | 80 – 84 | 5,048 | 3,967 | 1,989 |
| | 85 – 89 | 5,232 | 4,089 | 2,064 |
| | 90 – 94 | 5,019 | 3,899 | 2,034 |
| | ≥ 95 | 4,417 | 3,400 | 1,883 |
| | Average | 4,633 | 3,387 | 1,999 |

| Medicare Part D - RDS | <i>Age</i> | <i>MOB/COB</i> | <i>CSP</i> |
|-----------------------|------------|----------------|------------|
| | 65 – 69 | N/A | (244) |
| | 70 – 74 | N/A | (276) |
| | 75 – 79 | N/A | (286) |
| | 80 – 84 | N/A | (283) |
| | 85 – 89 | N/A | (281) |
| | 90 – 94 | N/A | (256) |
| | ≥ 95 | N/A | (208) |
| | Average | N/A | (274) |

| Medicare Part D - Employer Group Waiver Plan (EGWP) for MOB/COB | <i>Age</i> | <i>CMS Direct Payments & Catastrophic Reinsurance</i> | <i>Manufacturer's Coverage Gap Discount</i> |
|---|------------|---|---|
| | 65 – 69 | (336) | (421) |
| | 70 – 74 | (380) | (476) |
| | 75 – 79 | (393) | (493) |
| | 80 – 84 | (390) | (489) |
| | 85 – 89 | (386) | (485) |
| | 90 – 94 | (353) | (442) |
| | ≥ 95 | (286) | (358) |
| | Average | (368) | (462) |

| | |
|-------------------------|---------------------------------------|
| Dental | \$320 |
| Administrative expenses | Included in claims costs shown above. |

Additional Assumptions

| | |
|----------------------------|---|
| Excise tax | To determine impact of the excise tax on the non-UMWA postretirement plan, we projected future gross plan costs using the valuation trend assumption and compared these on a year-by-year basis to the excise tax thresholds beginning in 2018 and projected to future years using CPI (CPI + 1% for 2019). The expected cost of each non-UMWA benefit combination, which were blended pre-65/post-65 based on headcounts, exceeded these thresholds at various points in time, but no earlier than 2040. |
| 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, 2016 |
| Measurement date | January 1, 2016 |
| 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) | |
| Present value of benefits | 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. |
| Funding policy | 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. |
| Benefits Not Valued | All benefits described in the Plan Provisions section of this report were valued. Life insurance benefits in excess of \$50,000 and health care benefits for key employees were not included in determining the maximum deductible contribution. Willis Towers Watson 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. |
| Change in Assumptions and Methods Since Prior Valuation | <ul style="list-style-type: none"> ■ The discount rate for APBO was changed from 4.00% to 4.30%. ■ Per capita claims costs were updated to reflect 2014 claims experience. ■ The health care trend assumption was increased to an initial rate of 7.00%, decreasing to 5.00% in 2024. ■ The expected return on assets assumption was increased from 6.75% to 7.00%. |

Data Sources

American Electric Power (AEP), through Mercer, its third party administrator, furnished active and inactive participant data as of January 1, 2016. AEP also provided the accrued postretirement benefit costs as of December 31, 2015. Health plan vendors furnished the claims cost data. AEP supplied 2015 EGWP payments and prescription rebates. 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 was adjusted to reflect any significant events that occurred between the date the data was 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

| | |
|--------------------------------------|---|
| 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. |
| 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. |
| Claims cost trend rates | <p>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.</p> <p>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.</p> <p>For the VEBA funding vehicle of the non-bargained group, no future increases in medical costs (and thus in the plan's per capita claims costs) have been assumed, in accordance with U.S. tax law.</p> |
| 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. |

Basis for Per Capita
Claims Cost Assumptions

Pre-65 retiree medical rates Aetna, Medco, Lumenos and Magellan supplied data on retiree medical claims incurred in 2014 and paid through March 2015. AEP reported prescription rebates they received for 2015. 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 2016. Adjustments for plan design and network 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 Willis Towers Watson morbidity curves for both medical and prescription drugs to develop the quinquennial claims cost models.

Post-65 retiree medical rates 2016 monthly medical claim rates were calculated separately for MOB, COB and CSP Medicare-eligible plans by dividing 2014 incurred claims paid through March 2015 by covered lives and trending forward two years to 2016. Prescription drug claim rates were then multiplied by pricing change factors representing the effect of any pricing and other program changes for 2015 and 2016. Finally, administrative expense rates were added to claims cost rates. Claims cost models were developed separately for medical and prescription drug by age-grading these rates over standard Willis Towers Watson morbidity curves for medical and prescription drugs to develop the quinquennial claims cost models.

Dental rates Aetna supplied data on dental claims incurred in 2014 and paid through March 2015. Combined claims experience for all active and retired employees was analyzed to derive the dental claim rates.

Medicare Part D offsets

■ RDS

We calibrated our modelling tool to reflect the 2016 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 several large companies, including 3.1 million Medicare-eligible members.

After the plan-specific benefit provisions have been calibrated to current costs, the Modeler trends costs forward to 2016. 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 2016 minus the greater of \$409.20 per year (the national average Part D premium) and 25.5% of the gross value of Part D to the projected 2016 value of AEP coverage minus the average projected 2016 retiree contribution rate. For this purpose, retiree contributions were assumed to apply pro rata between the value of medical benefits and prescription drug benefits.

When the plans are deemed to be actuarially equivalent, the tool calculates the average expected value of the employer subsidy in 2016, using the continuance table calibrated to AEP's plan costs. This produced a 2016

per person employer subsidy of \$274 for CSP, which was then converted to rates that varied by participant age band using Willis Towers Watson's prescription drug morbidity curve.

- EGWP Estimated plan cost offsets associated with the EGWP arrangement were developed using actual 2015 payment AEP received for direct payments, coverage gap discounts and reinsurance payments. An estimate of the change in direct monthly government payments under the EGWP from 2015 to 2016 was provided by Express Scripts based on average Part D plan payments risk-adjusted for AEP's post-65 retiree population.

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. |
| Disabled Mortality | Assumptions were selected by the plan sponsor and, as required by U.S. GAAP, represent a best estimate of future experience. |
| 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. |
| 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. |
| 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. |
| 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. |
| <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. |
| <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. |

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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Appendix B: Summary of substantive plan provisions

Health Care Benefits

| | |
|--------------------|---|
| Eligibility | <p>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.</p> <p>Employees hired on or after January 1, 2014 are not eligible to participate in the plan.</p> |
| Surviving spouse | <p>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.</p> |
| Dependent | <p>Eligible dependents are spouse, unmarried children under age 19 (age 25 if a full-time student) and unmarried disabled children of any age.</p> |
| Benefits – Post-65 | <p>The AEP Post-65 Medical Plan provides broad medical coverage with a deductible of \$200, 80% coinsurance and a maximum annual out-of-pocket expense of \$2,000 per person.</p> |

Prescription drug benefits are provided under a separate design with the following copayments for those who do not enroll in a consumer driven health plan:

| | <i>Generic</i> | <i>Brand Name Formulary</i> | <i>Brand Name Nonformulary</i> |
|---------------|----------------|--------------------------------------|--------------------------------------|
| 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.

Benefits after age 65 are coordinated with Medicare using the carve-out method (MOB benefits). Participants have the option to "buy up" to exclusion coordination of benefits coverage (COB benefits). Exclusion coordination is automatically provided to East retirees who attained age 65 prior to January 1, 2001.

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:

| | 2016 | | |
|--------------------------------|---------|----------------------------|------------------------------------|
| | HRA | HSA High | HSA Low |
| • Embedded Individual Amounts* | None | Out-of-Pocket Maximum Only | Deductible & Out-of-Pocket Maximum |
| • Deductible | | | |
| • Individual | \$1,500 | \$2,000 | \$2,700 |
| • 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 and out-of-pocket maximums are assumed to increase over time at approximately the same rate as benefit costs.

Postretirement contributions

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

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

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 have a provision where active employee contribution rates are charged while an employee remains disabled and is receiving LTD benefits.

If an employee retires while disabled and became disabled before January 1, 2001, the 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 continue to accrue points as if actively-at-work until age 65 and be subject to the same contribution schedule as normal retirees.

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

Life Insurance Benefits

Grandfathered participants Participants over age 50 with ten years of service as of December 31, 2000.

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.

*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.

Nongrandfathered benefits \$30,000 for those hired before January 1, 2011. No benefit for those hired on or after January 1, 2011.

Dental Benefits

| | |
|-------------|---|
| Eligibility | <p>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.</p> <p>Employees hired on or after January 1, 2014 are not eligible to participate in the plan.</p> |
| Benefits | <p>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.</p> <p>Most retirees pay the full cost of dental coverage if they enroll. CSW employees who retire 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%.</p> |

Changes in Benefits Valued Since Prior Year

Benefits have been extended to Dolet Hills effective January 1, 2016.

Overview of Benefits Provided by Funding Vehicles

| Funding vehicle | Provides for |
|---|--|
| Non-union postretirement medical/dental VEBAs | <p>100% of medical benefits to non-union employees before 2018 and 26.5% of retiree medical benefits incurred thereafter.</p> <p>100% of dental benefits to non-union employees.</p> |
| Union postretirement medical/dental VEBAs | 100% of medical/dental benefits to union employees. |
| Postretirement life insurance VEBA | Life insurance benefits for all retirees. |
| 401(h) account | 73.5% of retiree medical benefits incurred after 2017 for non-union retirees. |

Appendix C: Results by business unit

Summary of key assumptions for Appendix C of 2016 NUMWA Postretirement Health Care Plan valuation report:

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Discount Rate | 4.30% | 4.50% | 4.75% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Expected Return on Assets | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% |
| Initial Medical Trend | 7.00% | 6.75% | 6.50% | 6.25% | 6.00% | 5.75% | 5.50% | 5.25% | 5.00% | 5.00% | 5.00% |

Mortality table RP-2014, factored to 2006, no collar adjustment, headcount weighted

Mortality projection scale Rates grade linearly by year from MP-2014 in 2007 to 0.75% in 2015. Rates grade linearly by age to zero at age 95 from age 85.

Valuation and data January 1, 2016

Per capita claims cost 2016 cost models based on actual claims experience incurred through December 31, 2014

Non-UMWA PRW Plan participation assumption: 90% of future retirees will elect coverage in 2016, with rate decreasing by 5% annually to ultimate rate of 75% in 2019+.

Non-UMWA PRW Plan persistency assumption: Non-capped retirees will drop coverage at a rate of 2% annually; capped retirees will drop coverage at a rate of 4% annually.

Includes Transitional Reinsurance Fees and Comparative Effectiveness fees under Health Care Reform.

**AMERICAN ELECTRIC POWER
 NON-UMWA POSTRETIREMENT WELFARE PLAN
 SUMMARY OF PLAN PARTICIPANTS FOR THE 2016 VALUATION**

| Location | Nonretired Participants | | Retired Participants | | | | | Total |
|--|-------------------------|---------------|----------------------|--------------|------------------|------------|---------------|-------|
| | Active | Total | Retiree | Dependent | | Disabled | | |
| | | | | Spouse | Surviving Spouse | | | |
| 140 Appalachian Power Co. - Distribution | 954 | 954 | 1,067 | 718 | 374 | 43 | 2,159 | |
| 215 Appalachian Power Co. - Generation | 731 | 731 | 942 | 663 | 223 | 35 | 1,828 | |
| 150 Appalachian Power Co. - Transmission | 4 | 4 | 139 | 106 | 11 | 5 | 256 | |
| Appalachian Power Co. - FERC | 1,689 | 1,689 | 2,148 | 1,487 | 608 | 83 | 4,243 | |
| 225 Cedar Coal Co | 0 | 0 | 10 | 3 | 13 | 0 | 26 | |
| Appalachian Power Co. - SEC | 1,689 | 1,689 | 2,158 | 1,490 | 621 | 83 | 4,269 | |
| 211 AEP Texas Central Company - Distribution | 838 | 838 | 843 | 527 | 285 | 22 | 1,655 | |
| 147 AEP Texas Central Company - Generation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 169 AEP Texas Central Company - Transmission | 101 | 101 | 76 | 46 | 32 | 3 | 154 | |
| AEP Texas Central Co. | 939 | 939 | 919 | 573 | 317 | 25 | 1,809 | |
| 170 Indiana Michigan Power Co. - Distribution | 520 | 520 | 631 | 355 | 248 | 10 | 1,234 | |
| 132 Indiana Michigan Power Co. - Generation | 278 | 278 | 323 | 218 | 88 | 8 | 629 | |
| 190 Indiana Michigan Power Co. - Nuclear | 1,051 | 1,051 | 421 | 271 | 66 | 12 | 758 | |
| 120 Indiana Michigan Power Co. - Transmission | 109 | 109 | 124 | 88 | 16 | 2 | 228 | |
| 280 Ind Mich River Transp Lakin | 210 | 210 | 128 | 59 | 34 | 16 | 221 | |
| Indiana Michigan Power Co. - FERC | 2,168 | 2,168 | 1,627 | 991 | 452 | 48 | 3,070 | |
| 202 Price River Coal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Indiana Michigan Power Co. - SEC | 2,168 | 2,168 | 1,627 | 991 | 452 | 48 | 3,070 | |
| 110 Kentucky Power Co. - Distribution | 231 | 231 | 183 | 98 | 55 | 10 | 336 | |
| 117 Kentucky Power Co. - Generation | 46 | 46 | 127 | 94 | 26 | 6 | 247 | |
| 180 Kentucky Power Co. - Transmission | 1 | 1 | 16 | 12 | 1 | 1 | 29 | |
| 600 Kentucky Power Co. - Kammer Actives | 3 | 3 | 0 | 0 | 0 | 0 | 0 | |
| 701 Kentucky Power Co. - Mitchell Actives | 229 | 229 | 0 | 0 | 0 | 0 | 0 | |
| 702 Kentucky Power Co. - Mitchell Inactives | 0 | 0 | 133 | 101 | 21 | 8 | 255 | |
| Kentucky Power Co. | 510 | 510 | 459 | 305 | 103 | 25 | 867 | |
| 250 Ohio Power Co. - Distribution | 1,398 | 1,398 | 1,607 | 965 | 469 | 27 | 3,041 | |
| 160 Ohio Power Co. - Transmission | 10 | 10 | 212 | 149 | 56 | 4 | 417 | |
| Ohio Power Co. | 1,408 | 1,408 | 1,819 | 1,114 | 525 | 31 | 3,458 | |
| 167 Public Service Co. of Oklahoma - Distribution | 585 | 585 | 524 | 334 | 167 | 18 | 1,025 | |
| 198 Public Service Co. of Oklahoma - Generation | 340 | 340 | 216 | 145 | 55 | 7 | 416 | |
| 114 Public Service Co. of Oklahoma - Transmission | 81 | 81 | 57 | 41 | 18 | 1 | 116 | |
| Public Service Co. of Oklahoma | 1,006 | 1,006 | 797 | 520 | 240 | 26 | 1,557 | |
| 159 Southwestern Electric Power Co. - Distribution | 465 | 465 | 324 | 198 | 87 | 11 | 609 | |
| 168 Southwestern Electric Power Co. - Generation | 567 | 567 | 269 | 187 | 91 | 9 | 547 | |
| 161 Southwestern Electric Power Co. - Texas - Distribution | 213 | 213 | 159 | 101 | 45 | 7 | 305 | |
| 111 Southwestern Electric Power Co. - Texas - Transmission | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 194 Southwestern Electric Power Co. - Transmission | 78 | 78 | 51 | 33 | 19 | 1 | 103 | |
| Southwestern Electric Power Co. | 1,323 | 1,323 | 803 | 519 | 242 | 28 | 1,564 | |
| 119 AEP Texas North Company - Distribution | 228 | 228 | 245 | 145 | 64 | 10 | 454 | |
| 166 AEP Texas North Company - Generation | 0 | 0 | 101 | 54 | 33 | 0 | 188 | |
| 192 AEP Texas North Company - Transmission | 54 | 54 | 35 | 18 | 11 | 0 | 64 | |
| AEP Texas North Co. | 282 | 282 | 381 | 217 | 108 | 10 | 706 | |
| 230 Kingsport Power Co. - Distribution | 49 | 49 | 49 | 28 | 16 | 1 | 93 | |
| 260 Kingsport Power Co. - Transmission | 0 | 0 | 8 | 5 | 1 | 1 | 14 | |
| Kingsport Power Co. | 49 | 49 | 57 | 33 | 17 | 2 | 107 | |
| 210 Wheeling Power Co. - Distribution | 45 | 45 | 60 | 37 | 32 | 0 | 129 | |
| 200 Wheeling Power Co. - Transmission | 0 | 0 | 3 | 2 | 7 | 0 | 12 | |
| Wheeling Power Co. | 45 | 45 | 63 | 39 | 39 | 0 | 141 | |
| 103 American Electric Power Service Corporation | 4,953 | 4,953 | 2,850 | 1,691 | 326 | 69 | 4,867 | |
| 293 Elmwood | 0 | 0 | 38 | 2 | 1 | 0 | 41 | |
| 292 AEP River Operations LLC | 0 | 0 | 165 | 33 | 4 | 0 | 202 | |
| American Electric Power Service Corporation | 4,953 | 4,953 | 3,053 | 1,726 | 331 | 69 | 5,110 | |
| 143 AEP Pro Serv, Inc. | 0 | 0 | 1 | 1 | 0 | 0 | 2 | |
| 189 Central Coal Company | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 171 CSW Energy, Inc. | 0 | 0 | 8 | 3 | 0 | 0 | 11 | |
| Miscellaneous | 0 | 0 | 9 | 4 | 0 | 0 | 13 | |
| 270 Cook Coal Terminal | 18 | 18 | 11 | 7 | 2 | 0 | 20 | |
| AEP Generating Company | 18 | 18 | 11 | 7 | 2 | 0 | 20 | |
| 104 Cardinal Operating Company | 287 | 287 | 189 | 135 | 58 | 4 | 382 | |
| 181 Ohio Power Co. - Generation | 527 | 527 | 1,166 | 780 | 302 | 17 | 2,248 | |
| AEP Generation Resources - FERC | 814 | 814 | 1,355 | 915 | 360 | 21 | 2,630 | |
| 290 Conesville Coal Preparation Company | 0 | 0 | 13 | 10 | 1 | 0 | 24 | |
| AEP Generation Resources - SEC | 814 | 814 | 1,368 | 925 | 361 | 21 | 2,654 | |
| 175 AEP Energy Partners | 78 | 78 | 0 | 0 | 0 | 0 | 0 | |
| AEP Energy Supply | 892 | 892 | 1,368 | 925 | 361 | 21 | 2,654 | |
| 245 Dolet Hills | 232 | 232 | 0 | 1 | 0 | 2 | 1 | |
| Dolet Hills | 232 | 232 | 0 | 1 | 0 | 2 | 1 | |
| Total | 15,514 | 15,514 | 13,524 | 8,464 | 3,358 | 370 | 25,346 | |

**AMERICAN ELECTRIC POWER
NON-UMWA POSTRETIREMENT WELFARE PLAN
10-YEAR PRW COST FORECAST
(\$000s)**

ASC 715-60
Cost

| Location | Estimated Net Periodic Postretirement Benefit Cost | | | | | | | | | | |
|---|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
| 140 Appalachian Power Co - Distribution | (\$6,015) | (\$6,172) | (\$6,349) | (\$6,522) | (\$6,789) | (\$7,050) | (\$7,310) | (\$6,937) | (\$3,482) | (\$2,995) | (\$3,266) |
| 215 Appalachian Power Co - Generation | (\$4,979) | (\$5,112) | (\$5,261) | (\$5,403) | (\$5,626) | (\$5,851) | (\$6,079) | (\$5,762) | (\$2,992) | (\$2,644) | (\$2,902) |
| 150 Appalachian Power Co - Transmission | (\$936) | (\$953) | (\$972) | (\$990) | (\$1,022) | (\$1,055) | (\$1,089) | (\$1,023) | (\$488) | (\$406) | (\$438) |
| Appalachian Power Co. - FERC | (\$11,930) | (\$12,237) | (\$12,582) | (\$12,915) | (\$13,437) | (\$13,956) | (\$14,478) | (\$13,722) | (\$6,962) | (\$6,045) | (\$6,606) |
| 225 Cedar Coal Co. | (\$19) | (\$19) | (\$20) | (\$20) | (\$20) | (\$20) | (\$21) | (\$17) | (\$12) | (\$12) | (\$12) |
| Appalachian Power Co. - SEC | (\$11,949) | (\$12,256) | (\$12,602) | (\$12,935) | (\$13,457) | (\$13,976) | (\$14,499) | (\$13,739) | (\$6,974) | (\$6,057) | (\$6,618) |
| 211 AEP Texas Central Company - Distribution | (\$4,426) | (\$4,545) | (\$4,679) | (\$4,815) | (\$5,013) | (\$5,214) | (\$5,412) | (\$5,139) | (\$2,508) | (\$2,141) | (\$2,348) |
| 147 AEP Texas Central Company - Generation | (\$15) | (\$15) | (\$15) | (\$15) | (\$15) | (\$15) | (\$15) | (\$9) | \$0 | \$0 | \$0 |
| 169 AEP Texas Central Company - Transmission | (\$435) | (\$447) | (\$461) | (\$475) | (\$495) | (\$515) | (\$535) | (\$509) | (\$244) | (\$206) | (\$229) |
| AEP Texas Central Co. | (\$4,876) | (\$5,007) | (\$5,155) | (\$5,305) | (\$5,523) | (\$5,744) | (\$5,962) | (\$5,657) | (\$2,752) | (\$2,347) | (\$2,577) |
| 170 Indiana Michigan Power Co - Distribution | (\$3,022) | (\$3,099) | (\$3,184) | (\$3,269) | (\$3,391) | (\$3,513) | (\$3,634) | (\$3,411) | (\$1,650) | (\$1,401) | (\$1,529) |
| 132 Indiana Michigan Power Co - Generation | (\$2,110) | (\$2,156) | (\$2,207) | (\$2,255) | (\$2,332) | (\$2,407) | (\$2,483) | (\$2,347) | (\$1,066) | (\$862) | (\$942) |
| 190 Indiana Michigan Power Co - Nuclear | (\$3,421) | (\$3,515) | (\$3,626) | (\$3,741) | (\$3,886) | (\$4,039) | (\$4,199) | (\$3,981) | (\$1,548) | (\$1,180) | (\$1,387) |
| 120 Indiana Michigan Power Co - Transmission | (\$684) | (\$702) | (\$722) | (\$742) | (\$773) | (\$806) | (\$839) | (\$795) | (\$396) | (\$344) | (\$379) |
| 280 Indiana Michigan River Transportation (Lakin) | (\$832) | (\$851) | (\$874) | (\$896) | (\$926) | (\$956) | (\$987) | (\$934) | (\$368) | (\$277) | (\$314) |
| Indiana Michigan Power Co. - FERC | (\$10,069) | (\$10,323) | (\$10,613) | (\$10,903) | (\$11,308) | (\$11,721) | (\$12,142) | (\$11,468) | (\$5,028) | (\$4,064) | (\$4,551) |
| 202 Price River Coal | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Indiana Michigan Power Co. - SEC | (\$10,069) | (\$10,323) | (\$10,613) | (\$10,903) | (\$11,308) | (\$11,721) | (\$12,142) | (\$11,468) | (\$5,028) | (\$4,064) | (\$4,551) |
| 110 Kentucky Power Co - Distribution | (\$1,356) | (\$1,386) | (\$1,420) | (\$1,453) | (\$1,503) | (\$1,553) | (\$1,602) | (\$1,519) | (\$678) | (\$545) | (\$600) |
| 117 Kentucky Power Co - Generation | (\$757) | (\$772) | (\$790) | (\$807) | (\$835) | (\$865) | (\$893) | (\$846) | (\$430) | (\$370) | (\$399) |
| 180 Kentucky Power Co - Transmission | (\$215) | (\$216) | (\$218) | (\$220) | (\$223) | (\$227) | (\$231) | (\$216) | (\$73) | (\$44) | (\$48) |
| 600 Kentucky Power Co. - Kammer Actives | (\$42) | (\$43) | (\$43) | (\$43) | (\$44) | (\$44) | (\$45) | (\$45) | (\$15) | (\$3) | (\$3) |
| 701 Kentucky Power Co. - Mitchell Actives | (\$65) | (\$80) | (\$98) | (\$116) | (\$137) | (\$160) | (\$181) | (\$205) | (\$130) | (\$95) | (\$123) |
| 702 Kentucky Power Co. - Mitchell Inactives | (\$361) | (\$371) | (\$383) | (\$394) | (\$417) | (\$439) | (\$461) | (\$485) | (\$417) | (\$334) | (\$359) |
| Kentucky Power Co. | (\$2,796) | (\$2,868) | (\$2,952) | (\$3,033) | (\$3,159) | (\$3,288) | (\$3,413) | (\$3,316) | (\$1,743) | (\$1,391) | (\$1,532) |
| 250 Ohio Power Co - Distribution | (\$6,994) | (\$7,205) | (\$7,435) | (\$7,666) | (\$8,011) | (\$8,354) | (\$8,696) | (\$8,260) | (\$4,333) | (\$3,840) | (\$4,199) |
| 160 Ohio Power Co - Transmission | (\$1,267) | (\$1,292) | (\$1,320) | (\$1,348) | (\$1,392) | (\$1,437) | (\$1,482) | (\$1,389) | (\$687) | (\$581) | (\$623) |
| Ohio Power Co. | (\$8,261) | (\$8,497) | (\$8,755) | (\$9,014) | (\$9,403) | (\$9,791) | (\$10,178) | (\$9,649) | (\$5,020) | (\$4,421) | (\$4,822) |
| 167 Public Service Co of Oklahoma - Distribution | (\$2,752) | (\$2,826) | (\$2,907) | (\$2,991) | (\$3,110) | (\$3,229) | (\$3,350) | (\$3,174) | (\$1,486) | (\$1,240) | (\$1,370) |
| 198 Public Service Co of Oklahoma - Generation | (\$1,560) | (\$1,598) | (\$1,641) | (\$1,686) | (\$1,745) | (\$1,808) | (\$1,870) | (\$1,779) | (\$737) | (\$569) | (\$639) |
| 114 Public Service Co of Oklahoma - Transmission | (\$340) | (\$348) | (\$358) | (\$367) | (\$382) | (\$395) | (\$409) | (\$388) | (\$174) | (\$142) | (\$158) |
| Public Service Co. of Oklahoma | (\$4,652) | (\$4,772) | (\$4,906) | (\$5,044) | (\$5,237) | (\$5,432) | (\$5,629) | (\$5,341) | (\$2,397) | (\$1,951) | (\$2,167) |
| 159 Southwestern Electric Power Co - Distribution | (\$1,939) | (\$1,991) | (\$2,053) | (\$2,115) | (\$2,201) | (\$2,289) | (\$2,379) | (\$2,387) | (\$1,098) | (\$863) | (\$963) |
| 168 Southwestern Electric Power Co - Generation | (\$2,194) | (\$2,248) | (\$2,308) | (\$2,370) | (\$2,457) | (\$2,544) | (\$2,634) | (\$2,513) | (\$1,023) | (\$781) | (\$882) |
| 161 Southwestern Electric Power Co - Texas - Distribution | (\$1,023) | (\$1,048) | (\$1,076) | (\$1,104) | (\$1,145) | (\$1,187) | (\$1,230) | (\$1,172) | (\$523) | (\$424) | (\$472) |
| 111 Southwestern Electric Power Co - Texas - Transmission | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 194 Southwestern Electric Power Co - Transmission | (\$308) | (\$315) | (\$324) | (\$333) | (\$347) | (\$361) | (\$375) | (\$356) | (\$167) | (\$140) | (\$155) |
| Southwestern Electric Power Co. | (\$5,464) | (\$5,602) | (\$5,761) | (\$5,922) | (\$6,150) | (\$6,381) | (\$6,618) | (\$6,428) | (\$2,811) | (\$2,208) | (\$2,472) |
| 119 AEP Texas North Company - Distribution | (\$1,429) | (\$1,466) | (\$1,504) | (\$1,544) | (\$1,600) | (\$1,657) | (\$1,714) | (\$1,628) | (\$746) | (\$609) | (\$668) |
| 166 AEP Texas North Company - Generation | (\$155) | (\$163) | (\$171) | (\$179) | (\$192) | (\$204) | (\$215) | (\$196) | (\$166) | (\$173) | (\$180) |
| 192 AEP Texas North Company - Transmission | (\$246) | (\$251) | (\$257) | (\$262) | (\$270) | (\$278) | (\$286) | (\$271) | (\$106) | (\$78) | (\$86) |
| AEP Texas North Co. | (\$1,830) | (\$1,880) | (\$1,932) | (\$1,985) | (\$2,062) | (\$2,139) | (\$2,215) | (\$2,095) | (\$1,018) | (\$860) | (\$934) |
| 230 Kingsport Power Co - Distribution | (\$202) | (\$208) | (\$215) | (\$222) | (\$233) | (\$244) | (\$254) | (\$243) | (\$126) | (\$112) | (\$125) |
| 260 Kingsport Power Co - Transmission | (\$49) | (\$49) | (\$50) | (\$51) | (\$52) | (\$53) | (\$55) | (\$51) | (\$23) | (\$18) | (\$19) |
| Kingsport Power Co. | (\$251) | (\$257) | (\$265) | (\$273) | (\$285) | (\$297) | (\$309) | (\$294) | (\$149) | (\$130) | (\$144) |
| 210 Wheeling Power Co - Distribution | (\$307) | (\$315) | (\$324) | (\$333) | (\$347) | (\$361) | (\$374) | (\$354) | (\$179) | (\$154) | (\$167) |
| 200 Wheeling Power Co - Transmission | (\$8) | (\$8) | (\$8) | (\$8) | (\$8) | (\$9) | (\$8) | (\$7) | (\$5) | (\$5) | (\$5) |
| Wheeling Power Co. | (\$315) | (\$323) | (\$332) | (\$341) | (\$355) | (\$370) | (\$382) | (\$361) | (\$184) | (\$159) | (\$172) |
| 103 American Electric Power Service Corporation | (\$18,224) | (\$18,759) | (\$19,369) | (\$19,995) | (\$20,860) | (\$21,751) | (\$22,688) | (\$21,465) | (\$9,996) | (\$8,489) | (\$9,623) |
| 293 Elmwood | (\$286) | (\$287) | (\$288) | (\$289) | (\$291) | (\$294) | (\$296) | (\$280) | (\$72) | (\$28) | (\$31) |
| 292 AEP River Operations LLC | (\$1,311) | (\$1,316) | (\$1,323) | (\$1,329) | (\$1,342) | (\$1,355) | (\$1,369) | (\$1,288) | (\$366) | (\$170) | (\$187) |
| American Electric Power Service Corp | (\$19,821) | (\$20,362) | (\$20,980) | (\$21,613) | (\$22,493) | (\$23,400) | (\$24,353) | (\$23,033) | (\$10,434) | (\$8,687) | (\$9,841) |
| 143 AEP Pro Serv, Inc. | (\$3) | (\$3) | (\$3) | (\$4) | (\$4) | (\$4) | (\$5) | (\$5) | (\$4) | (\$5) | (\$6) |
| 171 CSW Energy, Inc. | (\$20) | (\$21) | (\$21) | (\$22) | (\$23) | (\$24) | (\$25) | (\$25) | (\$15) | (\$13) | (\$14) |
| 189 Central Coal Company | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Miscellaneous | (\$23) | (\$24) | (\$24) | (\$26) | (\$27) | (\$28) | (\$30) | (\$30) | (\$19) | (\$18) | (\$20) |
| 270 Cook Coal Terminal | (\$76) | (\$78) | (\$80) | (\$82) | (\$84) | (\$87) | (\$89) | (\$84) | (\$37) | (\$29) | (\$32) |
| AEP Generating Company | (\$76) | (\$78) | (\$80) | (\$82) | (\$84) | (\$87) | (\$89) | (\$84) | (\$37) | (\$29) | (\$32) |
| 104 Cardinal Operating Company | (\$1,217) | (\$1,251) | (\$1,292) | (\$1,334) | (\$1,393) | (\$1,454) | (\$1,514) | (\$1,443) | (\$691) | (\$591) | (\$663) |
| 181 Ohio Power Co - Generation | (\$5,486) | (\$5,625) | (\$5,772) | (\$5,920) | (\$6,160) | (\$6,400) | (\$6,638) | (\$6,207) | (\$3,240) | (\$3,000) | (\$3,249) |
| AEP Generation Resources - FERC | (\$6,703) | (\$6,876) | (\$7,064) | (\$7,254) | (\$7,553) | (\$7,854) | (\$8,152) | (\$7,650) | (\$3,931) | (\$3,591) | (\$3,912) |
| 290 Conesville Coal Preparation Company | (\$70) | (\$71) | (\$73) | (\$75) | (\$77) | (\$79) | (\$81) | (\$77) | (\$42) | (\$37) | (\$41) |
| AEP Generation Resources - SEC | (\$6,773) | (\$6,947) | (\$7,137) | (\$7,329) | (\$7,630) | (\$7,933) | (\$8,233) | (\$7,727) | (\$3,973) | (\$3,628) | (\$3,953) |
| 175 AEP Energy Partners | \$3 | \$0 | (\$3) | (\$7) | (\$10) | (\$14) | (\$19) | (\$22) | (\$5) | (\$8) | (\$17) |
| AEP Energy Supply | (\$6,770) | (\$6,947) | (\$7,140) | (\$7,336) | (\$7,640) | (\$7,947) | (\$8,252) | (\$7,749) | (\$3,978) | (\$3,636) | (\$3,970) |
| 245 Dolet Hills | \$600 | \$586 | \$569 | \$552 | \$536 | \$519 | \$500 | \$479 | \$457 | \$430 | \$400 |
| Dolet Hills | \$600 | \$586 | \$569 | \$552 | \$536 | \$519 | \$500 | \$479 | \$457 | \$430 | \$400 |
| Total | (\$76,553) | (\$78,610) | (\$80,928) | (\$83,260) | (\$86,647) | (\$90,082) | (\$93,571) | (\$88,765) | (\$42,087) | (\$35,528) | (\$39,452) |

**AMERICAN ELECTRIC POWER
NON-UMWA POSTRETIREMENT WELFARE PLAN
ESTIMATED 2020 NET PERIODIC POSTRETIREMENT BENEFIT COST**

Table with columns: Location, Accumulated Postretirement Benefit Obligation, Expected Net Benefit Payments, Fair Value of Assets, Service Cost, Interest Cost, Expected Return on Assets, Amortizations (PSC, (G)/L), and Net Periodic Postretirement Benefit Cost. Rows include various power companies like Appalachian Power Co., Indiana Michigan Power Co., Kentucky Power Co., Ohio Power Co., Public Service Co. of Oklahoma, Southwestern Electric Power Co., AEP Texas, Kingsport Power Co., Wheeling Power Co., American Electric Power Service Corporation, AEP Pro Serv, Inc., CSW Energy, Inc., Central Coal Company, Cook Coal Terminal, Cardinal Operating Company, Conesville Coal Preparation Company, AEP Energy Partners, and Dolet Hills.

AMERICAN ELECTRIC POWER
NON-UMWA POSTRETIREMENT WELFARE PLAN
ESTIMATED 2024 NET PERIODIC POSTRETIREMENT BENEFIT COST

Table with columns: Location, Accumulated Postretirement Benefit Obligation, Expected Net Benefit Payments, Fair Value of Assets, Service Cost, Interest Cost, Expected Return on Assets, Amortizations (PSC, G/L), Net Periodic Postretirement Benefit Cost. Rows include various utility companies like Appalachian Power Co., Kentucky Power Co., and Ohio Power Co.

Non-UMWA Postretirement Health Care Plan

AMERICAN ELECTRIC POWER
 NON-UMWA POSTRETIREMENT WELFARE PLAN
 ESTIMATED 2025 NET PERIODIC POSTRETIREMENT BENEFIT COST

| Location | Accumulated Postretirement Benefit Obligation | Expected Net Benefit Payments | Fair Value of Assets | Service Cost | Interest Cost | Expected Return on Assets | Amortizations | | Net Periodic Postretirement Benefit Cost |
|--|---|-------------------------------|------------------------|---------------------|---------------------|---------------------------|------------------|---------------------|--|
| | | | | | | | PSC | (G)/L | |
| 140 Appalachian Power Co. - Distribution | \$83,510,320 | \$7,643,607 | \$128,289,683 | \$602,553 | \$4,016,884 | (\$8,736,496) | \$0 | \$1,121,773 | (\$2,995,286) |
| 215 Appalachian Power Co. - Generation | 72,768,162 | 6,214,057 | 111,787,434 | 482,395 | 3,509,071 | (7,612,697) | 0 | 977,476 | (2,643,755) |
| 150 Appalachian Power Co. - Transmission | 9,443,208 | 819,946 | 14,506,784 | 3,060 | 452,065 | (987,908) | 0 | 126,848 | (405,935) |
| Appalachian Power Co. - FERC | \$165,721,690 | \$14,677,610 | \$254,583,901 | \$1,088,008 | \$7,978,020 | (\$17,337,101) | \$0 | \$2,226,097 | (\$6,044,976) |
| 225 Cedar Coal Co | 267,786 | 43,606 | 411,376 | 0 | 12,312 | (28,015) | 0 | 3,597 | (12,106) |
| Appalachian Power Co. - SEC | \$165,989,476 | \$14,721,216 | \$254,995,277 | \$1,088,008 | \$7,990,332 | (\$17,365,116) | \$0 | \$2,229,694 | (\$6,057,082) |
| 211 AEP Texas Central Company - Distribution | \$62,253,756 | \$5,625,438 | \$95,635,062 | \$535,195 | \$3,000,527 | (\$6,512,725) | \$0 | \$836,239 | (\$2,140,764) |
| 147 AEP Texas Central Company - Generation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 169 AEP Texas Central Company - Transmission | 6,206,308 | 527,874 | 9,534,214 | 59,280 | 300,244 | (649,278) | 0 | 83,368 | (206,386) |
| AEP Texas Central Co. | \$68,460,064 | \$6,153,312 | \$105,169,276 | \$594,475 | \$3,300,771 | (\$7,162,003) | \$0 | \$919,607 | (\$2,347,150) |
| 170 Indiana Michigan Power Co. - Distribution | \$40,769,314 | \$3,814,855 | \$62,630,371 | \$354,643 | \$1,961,990 | (\$4,265,113) | \$0 | \$547,644 | (\$1,400,836) |
| 132 Indiana Michigan Power Co. - Generation | 24,661,423 | 2,252,110 | 37,885,211 | 199,687 | 1,187,439 | (2,579,974) | 0 | 331,271 | (861,577) |
| 190 Indiana Michigan Power Co. - Nuclear | 47,811,590 | 3,582,967 | 73,448,811 | 835,289 | 2,343,862 | (5,001,846) | 0 | 642,241 | (1,180,454) |
| 120 Indiana Michigan Power Co. - Transmission | 9,601,133 | 797,370 | 14,749,390 | 67,974 | 463,764 | (1,004,430) | 0 | 128,970 | (343,722) |
| 280 Ind Mich River Transp Lakin | 9,694,901 | 809,780 | 14,893,438 | 135,425 | 471,519 | (1,014,240) | 0 | 130,229 | (277,067) |
| Indiana Michigan Power Co. - FERC | \$132,538,361 | \$11,257,082 | \$203,607,221 | \$1,593,018 | \$6,428,574 | (\$13,865,603) | \$0 | \$1,780,355 | (\$4,063,656) |
| 202 Price River Coal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Indiana Michigan Power Co. - SEC | \$132,538,361 | \$11,257,082 | \$203,607,221 | \$1,593,018 | \$6,428,574 | (\$13,865,603) | \$0 | \$1,780,355 | (\$4,063,656) |
| 110 Kentucky Power Co. - Distribution | \$15,482,262 | \$1,327,874 | \$23,784,060 | \$119,574 | \$747,300 | (\$1,619,689) | \$0 | \$207,969 | (\$544,846) |
| 117 Kentucky Power Co. - Generation | 9,216,869 | 833,718 | 14,159,079 | 29,166 | 441,713 | (964,230) | 0 | 123,808 | (369,543) |
| 180 Kentucky Power Co. - Transmission | 1,027,911 | 82,121 | 1,579,091 | 189 | 49,377 | (107,536) | 0 | 13,808 | (44,162) |
| 600 Kentucky Power Co. - Kammer Actives | 105,641 | 9,437 | 162,287 | 1,716 | 5,135 | (11,052) | 0 | 1,419 | (2,782) |
| 701 Kentucky Power Co. - Mitchell Actives | 6,112,423 | 443,849 | 9,389,987 | 159,667 | 302,644 | (639,456) | 0 | 82,107 | (95,038) |
| 702 Kentucky Power Co. - Mitchell Inactives | 7,710,333 | 677,355 | 11,844,718 | 0 | 368,789 | (806,622) | 0 | 103,571 | (334,262) |
| Kentucky Power Co. | \$39,655,439 | \$3,374,354 | \$60,919,222 | \$310,312 | \$1,914,958 | (\$4,148,585) | \$0 | \$532,682 | (\$1,390,633) |
| 250 Ohio Power Co. - Distribution | \$109,446,980 | \$9,974,795 | \$168,133,931 | \$870,577 | \$5,269,550 | (\$11,449,880) | \$0 | \$1,470,174 | (\$3,839,579) |
| 160 Ohio Power Co. - Transmission | 13,555,016 | 1,246,610 | 20,823,399 | 7,578 | 647,345 | (1,418,068) | 0 | 182,081 | (581,064) |
| Ohio Power Co. | \$123,001,996 | \$11,221,405 | \$188,957,330 | \$878,155 | \$5,916,895 | (\$12,867,948) | \$0 | \$1,652,255 | (\$4,420,643) |
| 167 Public Service Co. of Oklahoma - Distribution | \$37,702,987 | \$3,346,171 | \$57,919,838 | \$376,741 | \$1,821,352 | (\$3,944,327) | \$0 | \$506,455 | (\$1,239,779) |
| 198 Public Service Co. of Oklahoma - Generation | 19,275,490 | 1,664,708 | 29,611,268 | 253,211 | 935,325 | (2,016,520) | 0 | 258,923 | (569,061) |
| 114 Public Service Co. of Oklahoma - Transmission | 4,509,217 | 383,283 | 6,927,120 | 50,841 | 218,538 | (471,735) | 0 | 60,571 | (141,785) |
| Public Service Co. of Oklahoma | \$61,487,694 | \$5,394,162 | \$94,458,226 | \$680,793 | \$2,975,215 | (\$6,432,582) | \$0 | \$825,949 | (\$1,950,625) |
| 159 Southwestern Electric Power Co. - Distribution | \$27,068,936 | \$2,283,078 | \$41,583,666 | \$293,254 | \$1,311,729 | (\$2,831,838) | \$0 | \$363,610 | (\$863,245) |
| 168 Southwestern Electric Power Co. - Generation | 27,072,404 | 2,292,503 | 41,588,993 | 372,165 | 1,315,615 | (2,832,200) | 0 | 363,657 | (780,763) |
| 161 Southwestern Electric Power Co. - Texas - Distribution | 12,961,992 | 1,085,856 | 19,912,387 | 130,292 | 627,799 | (1,356,029) | 0 | 174,115 | (423,823) |
| 111 Southwestern Electric Power Co. - Texas - Transmission | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 194 Southwestern Electric Power Co. - Transmission | 4,205,910 | 373,825 | 6,461,176 | 40,522 | 203,090 | (440,005) | 0 | 56,497 | (139,896) |
| Southwestern Electric Power Co. | \$71,309,242 | \$6,035,262 | \$109,546,222 | \$836,233 | \$3,458,233 | (\$7,460,072) | \$0 | \$957,879 | (\$2,207,727) |
| 119 AEP Texas North Company - Distribution | \$17,755,106 | \$1,604,732 | \$27,275,634 | \$154,354 | \$855,844 | (\$1,857,464) | \$0 | \$238,500 | (\$608,766) |
| 166 AEP Texas North Company - Generation | 3,919,705 | 469,735 | 6,021,504 | 0 | 184,385 | (410,063) | 0 | 52,652 | (173,026) |
| 192 AEP Texas North Company - Transmission | 2,552,855 | 232,924 | 3,921,730 | 31,750 | 123,478 | (267,069) | 0 | 34,292 | (77,549) |
| AEP Texas North Co. | \$24,227,666 | \$2,307,391 | \$37,218,868 | \$186,104 | \$1,163,707 | (\$2,534,596) | \$0 | \$325,444 | (\$859,341) |
| 230 Kingsport Power Co. - Distribution | \$3,420,431 | \$295,114 | \$5,254,512 | \$34,091 | \$165,438 | (\$357,831) | \$0 | \$45,946 | (\$112,356) |
| 260 Kingsport Power Co. - Transmission | 416,513 | 40,950 | 639,853 | 0 | 19,814 | (43,574) | 0 | 5,595 | (18,165) |
| Kingsport Power Co. | \$3,836,944 | \$336,064 | \$5,894,365 | \$34,091 | \$185,252 | (\$401,405) | \$0 | \$51,541 | (\$130,521) |
| 210 Wheeling Power Co. - Distribution | \$4,315,556 | \$417,734 | \$6,629,615 | \$32,580 | \$207,091 | (\$451,475) | \$0 | \$57,970 | (\$153,834) |
| 200 Wheeling Power Co. - Transmission | 107,434 | 23,897 | 165,042 | 0 | 4,782 | (11,239) | 0 | 1,443 | (5,014) |
| Wheeling Power Co. | \$4,422,990 | \$441,631 | \$6,794,657 | \$32,580 | \$211,873 | (\$462,714) | \$0 | \$59,413 | (\$158,848) |
| 103 American Electric Power Service Corporation | \$274,601,903 | \$20,941,336 | \$421,847,159 | \$3,177,850 | \$13,371,838 | (\$28,727,688) | \$0 | \$3,688,657 | (\$8,489,343) |
| 293 Elmwood | 659,711 | 40,628 | 1,013,457 | 0 | 31,982 | (69,016) | 0 | 8,862 | (28,172) |
| 292 AEP River Operations LLC | 3,964,027 | 256,649 | 6,089,592 | 0 | 191,863 | (414,700) | 0 | 53,248 | (169,589) |
| American Electric Power Service Corporation | \$279,225,641 | \$21,238,613 | \$428,950,208 | \$3,177,850 | \$13,595,683 | (\$29,211,404) | \$0 | \$3,750,767 | (\$8,687,104) |
| 143 AEP Pro Serv, Inc. | \$117,607 | \$6,438 | \$180,669 | \$0 | \$5,721 | (\$12,304) | \$0 | \$1,580 | (\$5,003) |
| 171 CSW Energy, Inc. | 308,077 | 24,510 | 473,272 | 0 | 14,799 | (32,230) | 0 | 4,138 | (13,293) |
| 189 Central Coal Company | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | \$425,684 | \$30,948 | \$653,941 | \$0 | \$20,520 | (\$44,534) | \$0 | \$5,718 | (\$18,296) |
| 270 Cook Coal Terminal | \$871,457 | \$71,824 | \$1,338,744 | \$8,008 | \$42,200 | (\$91,168) | \$0 | \$11,706 | (\$29,254) |
| AEP Generating Company | \$871,457 | \$71,824 | \$1,338,744 | \$8,008 | \$42,200 | (\$91,168) | \$0 | \$11,706 | (\$29,254) |
| 104 Cardinal Operating Company | \$18,457,296 | \$1,501,468 | \$28,354,348 | \$195,933 | \$895,583 | (\$1,930,924) | \$0 | \$247,932 | (\$591,476) |
| 181 Ohio Power Co. - Generation | 77,554,925 | 7,017,919 | 119,140,924 | 350,218 | 3,721,949 | (8,113,468) | 0 | 1,041,776 | (2,999,525) |
| AEP Generation Resources - FERC | \$96,012,221 | \$8,519,387 | \$147,495,272 | \$546,151 | \$4,617,532 | (\$10,044,392) | \$0 | \$1,289,708 | (\$3,591,001) |
| 290 Conesville Coal Preparation Company | 868,559 | 62,631 | 1,334,292 | 0 | 41,881 | (90,865) | 0 | 11,667 | (37,317) |
| AEP Generation Resources - SEC | \$96,880,780 | \$8,582,018 | \$148,829,564 | \$546,151 | \$4,659,413 | (\$10,135,257) | \$0 | \$1,301,375 | (\$3,628,318) |
| 175 AEP Energy Partners | 1,325,640 | 41,741 | 2,036,466 | 45,289 | 67,516 | (138,683) | 0 | 17,807 | (8,071) |
| AEP Energy Supply | \$98,206,420 | \$8,623,759 | \$150,866,030 | \$591,440 | \$4,726,929 | (\$10,273,940) | \$0 | \$1,319,182 | (\$3,636,389) |
| 245 Dolet Hills | \$5,466,626 | \$345,973 | \$8,397,905 | \$222,282 | \$275,902 | (\$571,895) | \$430,570 | \$73,432 | \$430,291 |
| Dolet Hills | \$5,466,626 | \$345,973 | \$8,397,905 | \$222,282 | \$275,902 | (\$571,895) | \$430,570 | \$73,432 | \$430,291 |
| Total | \$1,079,125,700 | \$91,552,996 | \$1,657,767,492 | \$10,233,349 | \$52,207,044 | (\$112,893,565) | \$430,570 | \$14,495,624 | (\$35,526,978) |

**AMERICAN ELECTRIC POWER
 NON-UMWA POSTRETIREMENT WELFARE PLAN
 ESTIMATED 2026 NET PERIODIC POSTRETIREMENT BENEFIT COST**

| Location | Accumulated Postretirement Benefit Obligation | Expected Net Benefit Payments | Fair Value of Assets | Service Cost | Interest Cost | Expected Return on Assets | Amortizations | | Net Periodic Postretirement Benefit Cost |
|--|---|-------------------------------|------------------------|---------------------|---------------------|---------------------------|------------------|---------------------|--|
| | | | | | | | PSC | (G)/L | |
| 140 Appalachian Power Co. - Distribution | \$80,486,150 | \$7,408,666 | \$128,707,864 | \$616,864 | \$3,872,193 | (\$8,773,174) | \$0 | \$1,018,208 | (\$3,265,909) |
| 215 Appalachian Power Co. - Generation | 70,545,571 | 6,085,699 | 112,811,580 | 493,852 | 3,401,684 | (7,689,628) | 0 | 892,453 | (2,901,639) |
| 150 Appalachian Power Co. - Transmission | 9,078,387 | 812,874 | 14,517,526 | 3,133 | 434,002 | (989,565) | 0 | 114,848 | (437,582) |
| Appalachian Power Co. - FERC | \$160,110,108 | \$14,307,239 | \$256,036,970 | \$1,113,849 | \$7,707,879 | (\$17,452,367) | \$0 | \$2,025,509 | (\$6,605,130) |
| 225 Cedar Coal Co | 236,492 | 38,317 | 378,182 | 0 | 10,878 | (25,778) | 0 | 2,992 | (11,908) |
| Appalachian Power Co. - SEC | \$160,346,600 | \$14,345,556 | \$256,415,152 | \$1,113,849 | \$7,718,757 | (\$17,478,145) | \$0 | \$2,028,501 | (\$6,617,038) |
| 211 AEP Texas Central Company - Distribution | \$60,164,040 | \$5,432,143 | \$96,210,157 | \$547,906 | \$2,901,450 | (\$6,558,018) | \$0 | \$761,119 | (\$2,347,543) |
| 147 AEP Texas Central Company - Generation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 169 AEP Texas Central Company - Transmission | 6,037,958 | 516,223 | 9,655,483 | 60,688 | 292,184 | (658,151) | 0 | 76,385 | (228,894) |
| AEP Texas Central Co. | \$66,201,998 | \$5,948,366 | \$105,865,640 | \$608,594 | \$3,193,634 | (\$7,216,169) | \$0 | \$837,504 | (\$2,576,437) |
| 170 Indiana Michigan Power Co. - Distribution | \$39,271,092 | \$3,644,347 | \$62,799,604 | \$363,066 | \$1,891,710 | (\$4,280,639) | \$0 | \$496,808 | (\$1,529,055) |
| 132 Indiana Michigan Power Co. - Generation | 23,796,439 | 2,173,048 | 38,053,613 | 204,430 | 1,146,380 | (2,593,866) | 0 | 301,042 | (942,014) |
| 190 Indiana Michigan Power Co. - Nuclear | 47,407,774 | 3,559,598 | 75,811,222 | 855,127 | 2,325,241 | (5,167,566) | 0 | 599,743 | (1,387,445) |
| 120 Indiana Michigan Power Co. - Transmission | 9,335,501 | 800,129 | 14,928,685 | 69,588 | 450,495 | (1,017,591) | 0 | 118,101 | (379,407) |
| 280 Ind Mich River Transp Lakin | 9,492,065 | 782,578 | 15,179,051 | 138,641 | 462,209 | (1,034,657) | 0 | 120,082 | (313,725) |
| Indiana Michigan Power Co. - FERC | \$129,302,871 | \$10,959,700 | \$206,772,175 | \$1,630,852 | \$6,276,035 | (\$14,094,309) | \$0 | \$1,635,776 | (\$4,551,646) |
| 202 Price River Coal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Indiana Michigan Power Co. - SEC | \$129,302,871 | \$10,959,700 | \$206,772,175 | \$1,630,852 | \$6,276,035 | (\$14,094,309) | \$0 | \$1,635,776 | (\$4,551,646) |
| 110 Kentucky Power Co. - Distribution | \$15,021,262 | \$1,311,998 | \$24,020,960 | \$122,414 | \$724,784 | (\$1,637,352) | \$0 | \$190,030 | (\$600,124) |
| 117 Kentucky Power Co. - Generation | 8,854,030 | 801,452 | 14,158,750 | 29,859 | 424,403 | (965,109) | 0 | 112,010 | (398,837) |
| 180 Kentucky Power Co. - Transmission | 995,356 | 82,460 | 1,591,704 | 193 | 47,741 | (108,496) | 0 | 12,592 | (47,970) |
| 600 Kentucky Power Co. - Kammer Actives | 103,055 | 7,802 | 164,798 | 1,757 | 5,048 | (11,233) | 0 | 1,304 | (3,124) |
| 701 Kentucky Power Co. - Mitchell Actives | 6,130,885 | 434,208 | 9,804,086 | 163,459 | 303,994 | (668,280) | 0 | 77,560 | (123,267) |
| 702 Kentucky Power Co. - Mitchell Inactives | 7,401,767 | 660,569 | 11,836,392 | 0 | 353,776 | (806,810) | 0 | 93,638 | (359,396) |
| Kentucky Power Co. | \$38,506,355 | \$3,298,489 | \$61,576,690 | \$317,682 | \$1,859,746 | (\$4,197,280) | \$0 | \$487,134 | (\$1,532,718) |
| 250 Ohio Power Co. - Distribution | \$105,612,312 | \$9,699,279 | \$168,887,879 | \$891,253 | \$5,085,654 | (\$11,511,983) | \$0 | \$1,336,072 | (\$4,199,004) |
| 160 Ohio Power Co. - Transmission | 12,963,329 | 1,243,211 | 20,730,056 | 7,758 | 617,853 | (1,413,032) | 0 | 163,996 | (623,425) |
| Ohio Power Co. | \$118,575,641 | \$10,942,490 | \$189,617,935 | \$899,011 | \$5,703,507 | (\$12,925,015) | \$0 | \$1,500,068 | (\$4,822,429) |
| 167 Public Service Co. of Oklahoma - Distribution | \$36,554,909 | \$3,272,285 | \$58,456,073 | \$385,689 | \$1,766,221 | (\$3,984,569) | \$0 | \$462,446 | (\$1,370,213) |
| 198 Public Service Co. of Oklahoma - Generation | 18,799,318 | 1,607,308 | 30,062,564 | 259,225 | 913,235 | (2,049,169) | 0 | 237,825 | (638,884) |
| 114 Public Service Co. of Oklahoma - Transmission | 4,395,313 | 380,483 | 7,028,679 | 52,048 | 212,972 | (479,099) | 0 | 55,604 | (158,475) |
| Public Service Co. of Oklahoma | \$59,749,540 | \$5,260,076 | \$95,547,319 | \$696,962 | \$2,892,428 | (\$6,512,837) | \$0 | \$785,875 | (\$2,167,572) |
| 159 Southwestern Electric Power Co. - Distribution | \$26,390,841 | \$2,221,226 | \$42,202,401 | \$300,219 | \$1,279,700 | (\$2,876,662) | \$0 | \$333,863 | (\$962,880) |
| 168 Southwestern Electric Power Co. - Generation | 26,467,681 | 2,246,437 | 42,325,278 | 381,004 | 1,286,958 | (2,885,038) | 0 | 334,835 | (882,241) |
| 161 Southwestern Electric Power Co. - Texas - Distribution | 12,634,227 | 1,063,194 | 20,203,779 | 133,386 | 612,125 | (1,377,160) | 0 | 159,832 | (471,817) |
| 111 Southwestern Electric Power Co. - Texas - Transmission | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 194 Southwestern Electric Power Co. - Transmission | 4,075,697 | 372,938 | 6,517,572 | 41,484 | 196,649 | (444,260) | 0 | 51,561 | (154,566) |
| Southwestern Electric Power Co. | \$69,568,446 | \$5,903,795 | \$111,249,030 | \$856,093 | \$3,375,432 | (\$7,583,120) | \$0 | \$880,091 | (\$2,471,504) |
| 119 AEP Texas North Company - Distribution | \$17,160,572 | \$1,559,887 | \$27,441,996 | \$158,020 | \$827,408 | (\$1,870,542) | \$0 | \$217,094 | (\$668,020) |
| 166 AEP Texas North Company - Generation | 3,634,355 | 448,370 | 5,811,808 | 0 | 170,645 | (396,153) | 0 | 45,977 | (179,531) |
| 192 AEP Texas North Company - Transmission | 2,475,159 | 230,712 | 3,958,102 | 32,504 | 119,686 | (269,798) | 0 | 31,313 | (86,295) |
| AEP Texas North Co. | \$23,270,086 | \$2,238,969 | \$37,211,906 | \$190,524 | \$1,117,739 | (\$2,536,493) | \$0 | \$294,384 | (\$933,846) |
| 230 Kingsport Power Co. - Distribution | \$3,324,846 | \$296,496 | \$5,316,863 | \$34,901 | \$160,665 | (\$362,416) | \$0 | \$42,062 | (\$124,788) |
| 260 Kingsport Power Co. - Transmission | 395,377 | 39,810 | 632,259 | 0 | 18,786 | (43,097) | 0 | 5,002 | (19,309) |
| Kingsport Power Co. | \$3,720,223 | \$336,306 | \$5,949,122 | \$34,901 | \$179,451 | (\$405,513) | \$0 | \$47,064 | (\$144,097) |
| 210 Wheeling Power Co. - Distribution | \$4,137,493 | \$400,678 | \$6,616,392 | \$33,354 | \$198,648 | (\$450,996) | \$0 | \$52,342 | (\$166,652) |
| 200 Wheeling Power Co. - Transmission | 88,319 | 20,596 | 141,234 | 0 | 3,907 | (9,627) | 0 | 1,117 | (4,603) |
| Wheeling Power Co. | \$4,225,812 | \$421,274 | \$6,757,626 | \$33,354 | \$202,555 | (\$460,623) | \$0 | \$53,459 | (\$171,255) |
| 103 American Electric Power Service Corporation | \$270,210,255 | \$20,832,789 | \$432,101,486 | \$3,253,323 | \$13,158,712 | (\$29,453,533) | \$0 | \$3,418,354 | (\$9,623,144) |
| 293 Elmwood | 651,065 | 41,143 | 1,041,138 | 0 | 31,537 | (70,968) | 0 | 8,236 | (31,195) |
| 292 AEP River Operations LLC | 3,899,241 | 258,190 | 6,235,396 | 0 | 188,586 | (425,026) | 0 | 49,328 | (187,112) |
| American Electric Power Service Corporation | \$274,760,561 | \$21,132,122 | \$439,378,020 | \$3,253,323 | \$13,378,835 | (\$29,949,527) | \$0 | \$3,475,918 | (\$9,841,451) |
| 143 AEP Pro Serv, Inc. | \$116,890 | \$6,585 | \$186,922 | \$0 | \$5,682 | (\$12,741) | \$0 | \$1,479 | (\$5,580) |
| 171 GSW Energy, Inc. | 298,366 | 24,907 | 477,126 | 0 | 14,303 | (32,523) | 0 | 3,775 | (14,445) |
| 189 Central Coal Company | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | \$415,256 | \$31,492 | \$664,048 | \$0 | \$19,985 | (\$45,264) | \$0 | \$5,254 | (\$20,025) |
| 270 Cook Coal Terminal | \$849,841 | \$68,580 | \$1,359,007 | \$8,198 | \$41,208 | (\$92,635) | \$0 | \$10,751 | (\$32,478) |
| AEP Generating Company | \$849,841 | \$68,580 | \$1,359,007 | \$8,198 | \$41,208 | (\$92,635) | \$0 | \$10,751 | (\$32,478) |
| 104 Cardinal Operating Company | \$18,047,344 | \$1,481,943 | \$28,860,060 | \$200,586 | \$875,800 | (\$1,967,202) | \$0 | \$228,312 | (\$662,504) |
| 181 Ohio Power Co. - Generation | 74,609,173 | 6,789,672 | 119,309,811 | 358,536 | 3,580,714 | (8,132,570) | 0 | 943,860 | (3,249,460) |
| AEP Generation Resources - FERC | \$92,656,517 | \$8,271,615 | \$148,169,871 | \$559,122 | \$4,456,514 | (\$10,099,772) | \$0 | \$1,172,172 | (\$3,911,964) |
| 290 Conesville Coal Preparation Company | 847,809 | 62,884 | 1,355,757 | 0 | 40,838 | (92,413) | 0 | 10,725 | (40,850) |
| AEP Generation Resources - SEC | \$93,504,326 | \$8,334,499 | \$149,525,628 | \$559,122 | \$4,497,352 | (\$10,192,185) | \$0 | \$1,182,897 | (\$3,952,814) |
| 175 AEP Energy Partners | 1,396,704 | 48,763 | 2,233,512 | 46,365 | 70,949 | (152,244) | 0 | 17,669 | (17,261) |
| AEP Energy Supply | \$94,901,030 | \$8,383,262 | \$151,759,140 | \$605,487 | \$4,568,301 | (\$10,344,429) | \$0 | \$1,200,566 | (\$3,970,075) |
| 245 Dolet Hills | \$5,618,837 | \$352,163 | \$8,985,254 | \$227,561 | \$283,623 | (\$612,466) | \$430,570 | \$71,082 | \$400,370 |
| Dolet Hills | \$5,618,837 | \$352,163 | \$8,985,254 | \$227,561 | \$283,623 | (\$612,466) | \$430,570 | \$71,082 | \$400,370 |
| Total | \$1,050,013,097 | \$89,622,640 | \$1,679,108,061 | \$10,476,391 | \$50,811,236 | (\$114,453,825) | \$430,570 | \$13,283,427 | (\$39,452,201) |