

2014 Key Contributor Award Program

Purpose

Grant restricted stock units (RSUs) to key employees to:

1. Recognize outstanding performance/reward the doers
2. Retain key contributors, and
3. Further align financial rewards for participants with the long-term interest of shareholders.

Qualifications

Nominees should have made extraordinary contributions or created extraordinary results over and above day-to-day expectations of a distinguished performer.

- Awards are provided to employees who generally do not participate in the Long Term Incentive Program (Salary Grade 27 and below)
- Nominations should be considered for individuals whose work resulted in significant, quantifiable cost savings for AEP; were key to an industry first; greatly improved or created a process that quantifiably added to AEP's performance.
- Nominations should not be considered for work that is part of the individual's job, for someone who was assigned to execute a plan, or for results that are not truly significant.
- For team nominations, only key team players rather than the entire team should be nominated.

Nomination Process

Use the template below to nominate employee(s) and/or team(s) who have made a key contribution during 2014. **The nominations must be approved by the appropriate Executive Council member and received by Lisa McNeil, HR, senior compensation consultant, by close of business on Friday, December 19, 2014.** A Review Committee of Business Unit leaders will make recommendations on which nominations should be moved forward for final approval by Nick Akins.

Award Guidelines

Since the standard for Key Contributor Awards is high, the minimum award guideline is generally 25% of the nominee's current salary. Therefore, as you determine the award recommendation, consider what the value of the contribution would be worth if you were to reward this contribution with ICP dollars. *Recommendations are considered based on the significance of the employee's contribution.*

How awards are made

Awards are made in restricted stock units (RSUs) valued using the closing price of AEP stock on the grant date. (Restricted stock units are equal in value to a share of AEP common stock.) Key Contributor awards vest annually in approximately equal thirds.

Grant Communication

In January 2015, approved recommendations (as well as recommendations that were not approved) will be communicated back to the recommending manager. Awardees should be publicly recognized at a special local event by senior management immediately. Additionally, all 2014 awardees will be collectively recognized for their extraordinary contribution and results by the CEO at the annual luncheon and in internal communications, such as AEP Now in early 2015.

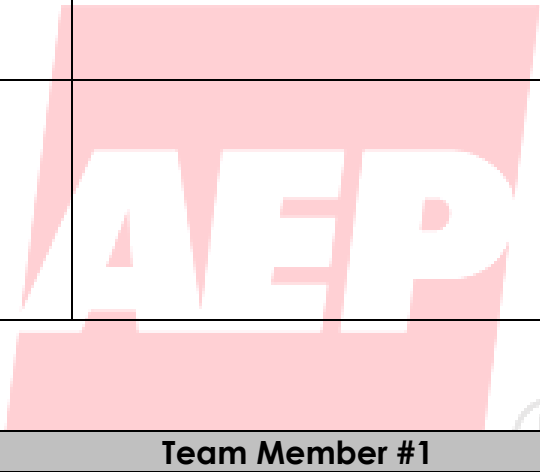
2014 Key Contributor Award Nomination Form Individual

Employee Name:	
Job Title:	
Business Unit:	
Manager's Name:	
Nominated By:	
Current Salary:	\$
% of Salary Recommended for Key Contributor Award:	
Rationale for Award: Information supporting this nomination <ul style="list-style-type: none">• Value/impact to the company• Other details...	
Summary: High-level summary of rationale for executive review committee	
EC Member Approval: Name and Date	



2014 Key Contributor Award Nomination Form Team

Team Name:	
Nominated By:	
Rationale for Award: Information supporting this nomination <ul style="list-style-type: none"> • Value/impact to the company • Other details... 	
Summary; High-level summary of rationale for executive review committee	
EC Member Approval: Name and Date	



Team Member #1	
Employee Name:	
Job Title:	
Business Unit:	
Manager's Name:	
Nominated By:	
Current Salary:	\$
% of Salary Recommended for Key Contributor Award:	
Details of Individual Contributions	

2014 Key Contributor Award Nomination Form Team

Team Member #2

Team Member #2	
Employee Name:	
Job Title:	
Business Unit:	
Manager's Name:	
Nominated By:	
Current Salary:	\$
% of Salary Recommended for Key Contributor Award:	
Details of Individual Contributions	

Team Member #3

Team Member #3	
Employee Name:	
Job Title:	
Business Unit:	
Manager's Name:	
Nominated By:	
Current Salary:	\$
% of Salary Recommended for Key Contributor Award:	
Details of Individual Contributions	

2014 Key Contributor Award Nomination Form Team

Team Member #4

Team Member #4	
Employee Name:	
Job Title:	
Business Unit:	
Manager's Name:	
Nominated By:	
Current Salary:	\$
% of Salary Recommended for Key Contributor Award:	
Details of Individual Contributions	

Team Member #5

Team Member #5	
Employee Name:	
Job Title:	
Business Unit:	
Manager's Name:	
Nominated By:	
Current Salary:	\$
% of Salary Recommended for Key Contributor Award:	
Details of Individual Contributions	

2014 Key Contributor Award Nomination Form Team

Team Member #6	
Employee Name:	
Job Title:	
Business Unit:	
Manager's Name:	
Nominated By:	
Current Salary:	\$
% of Salary Recommended for Key Contributor Award:	
Details of Individual Contributions	

Team Member #7	
Employee Name:	
Job Title:	
Business Unit:	
Manager's Name:	
Nominated By:	
Current Salary:	\$
% of Salary Recommended for Key Contributor Award:	
Details of Individual Contributions	

Note: Please copy templates above if there are additional team member nominations.