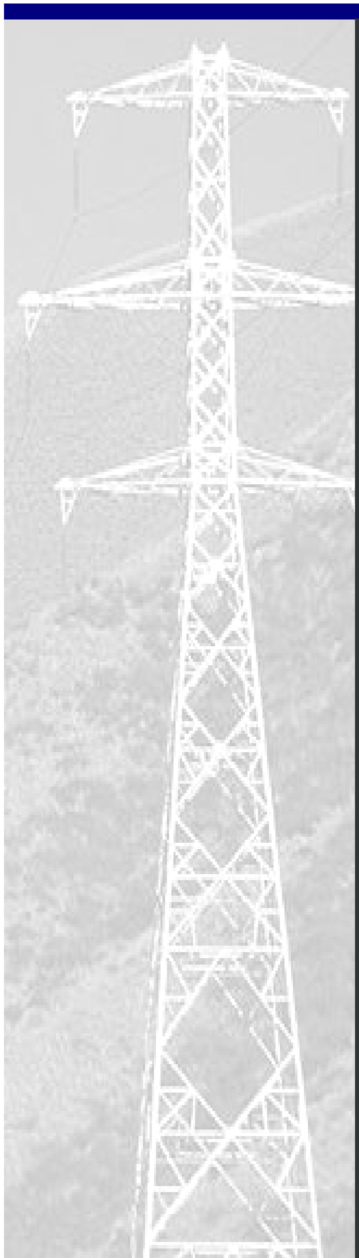

4Q09 Earnings Release Presentation

January 28, 2010

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This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. Although AEP and each of its Registrant Subsidiaries believe that their expectations are based on reasonable assumptions, any such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Among the factors that could cause actual results to differ materially from those in the forward-looking statements are: the economic climate and growth in, or contraction within, our service territory and changes in market demand and demographic patterns, inflationary or deflationary interest rate trends, volatility in the financial markets, particularly developments affecting the availability of capital on reasonable terms and developments impairing our ability to finance new capital projects and refinance existing debt at attractive rates, the availability and cost of funds to finance working capital and capital needs, particularly during periods when the time lag between incurring costs and recovery is long and the costs are material, electric load and customer growth, weather conditions, including storms, available sources and costs of, and transportation for, fuels and the creditworthiness and performance of fuel suppliers and transporters, availability of generating capacity and the performance of our generating plants including our ability to restore I&M’s Donald C. Cook Nuclear Plant Unit 1 in a timely manner, our ability to recover regulatory assets and stranded costs in connection with deregulation, our ability to recover increases in fuel and other energy costs through regulated or competitive electric rates, our ability to build or acquire generating capacity, including the Turk Plant, and transmission line facilities (including our ability to obtain any necessary regulatory approvals and permits) when needed at acceptable prices and terms and to recover those costs (including the costs of projects that are cancelled) through applicable rate cases or competitive rates, new legislation, litigation and government regulation including requirements for reduced emissions of sulfur, nitrogen, mercury, carbon, soot or particulate matter and other substances, timing and resolution of pending and future rate cases, negotiations and other regulatory decisions (including rate or other recovery of new investments in generation, distribution and transmission service and environmental compliance), resolution of litigation (including disputes arising from the bankruptcy of Enron Corp. and related matters), our ability to constrain operation and maintenance costs, our ability to develop and execute a strategy based on a view regarding prices of electricity, natural gas and other energy-related commodities, changes in the creditworthiness of the counterparties with whom we have contractual arrangements, including participants in the energy trading market, actions of rating agencies, including changes in the ratings of debt, volatility and changes in markets for electricity, natural gas, coal, nuclear fuel and other energy-related commodities, changes in utility regulation, including the implementation of the recently passed utility law in Ohio and the allocation of costs within regional transmission organizations, including PJM and SPP, accounting pronouncements periodically issued by accounting standard-setting bodies, the impact of volatility in the capital markets on the value of the investments held by our pension, other postretirement benefit plans and nuclear decommissioning trust and the impact on future funding requirements, prices for power that we generate and sell at wholesale, changes in technology, particularly with respect to new, developing or alternative sources of generation, other risks and unforeseen events, including wars, the effects of terrorism (including increased security costs), embargoes and other catastrophic events. AEP and its Registrant Subsidiaries expressly disclaim any obligation to update any forward-looking information.

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2009 Accomplishments; 2010 Plans

2009 – Successful year

- ✓ FINANCIAL PERFORMANCE
  - ✓ **Delivered on-going earnings** $2.97/share, at the upper end of original guidance $2.75 to $3.05
  - ✓ **Raised over $4B in capital**
- ✓ REGULATORY SUCCESS
  - ✓ **Rate relief** –$725MM secured
  - ✓ **Fuel recovery** – now active in all jurisdictions
  - ✓ **Trackers**
- ✓ TECHNOLOGY LEADERSHIP
  - ✓ **Carbon capture & storage**
  - ✓ **Cook Nuclear Plant Unit 1 restart**
  - ✓ **Ultra supercritical coal - Turk**

2010 – Commitment to perform

- MANAGE, EXECUTE, DELIVER
  - **Meet earnings guidance** $2.80 to $3.20
  - **Manage rate cases**
  - **Celebrate 100 years of dividends**
- POLICY INITIATIVES
  - **Climate change**
  - **Energy policy**
- FOCUS ON GROWTH OPPORTUNITES
  - **Transmission (JVs & Transco)**
  - **Rate base opportunities (G,T & D)**

4Q09 Performance

Fourth Quarter Reconciliation

	EPS	Ongoing Earnings ($ in millions)
4Q08	$ 0.59	$237
Rate Relief	$ 0.28	
Load Contraction	$ (0.11)	
Weather	$ (0.03)	
O&M	$ (0.12)	
Share Count Effect	$ (0.09)	
Other	$ (0.02)	
4Q09	$ 0.50	$238

4Q09 Performance Drivers

- *Rate Relief of $178MM in Ohio, APCo, PSO, I&M*
- *Load Contraction of $70MM, primarily due to industrial customers at APCo (23%), and Ohio (17%)*
- *Weather was unfavorable by $18MM vs. prior year, $13MM vs. normal*
- *O&M expense increased $73MM primarily driven by storm damage and plant outage expenses*
- *Share count impact due to 74MM weighted average shares outstanding increase (404MM to 478MM) from equity offering and DRP*
- *Other includes higher depreciation and interest expense, partly offset by higher other operating revenue*
- *Off-System Sales after sharing is essentially flat quarter over quarter*

December YTD Performance

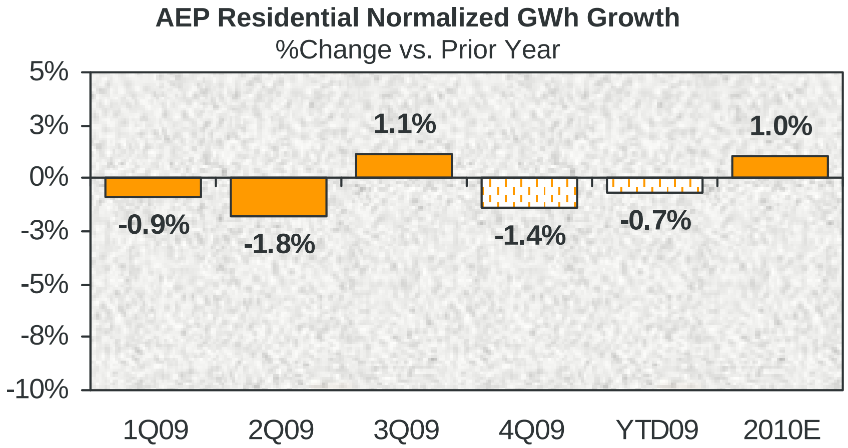
Annual Reconciliation

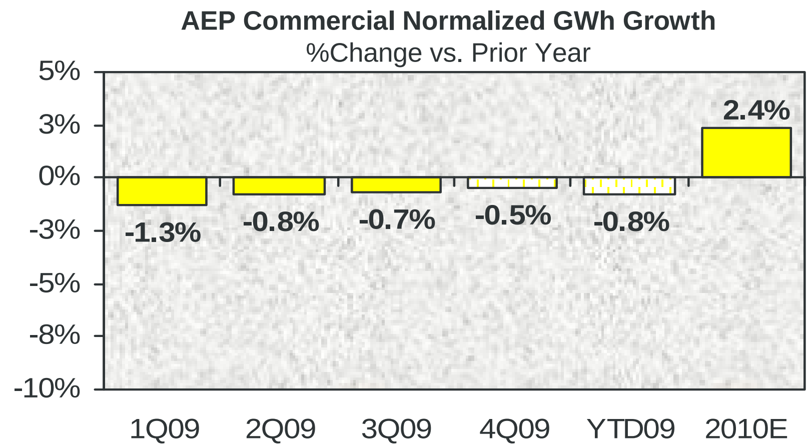
		EPS	Ongoing Earnings ($ in millions)
YTD08	$	3.24	$1,301
Rate Relief	$	1.17	
Load Contraction	$	(0.34)	
Weather	$	(0.08)	
Off-System Sales	$	(0.54)	
O&M	$	(0.07)	
Share Count Effect	$	(0.42)	
Other	$	0.01	
YTD09	$	2.97	$1,362

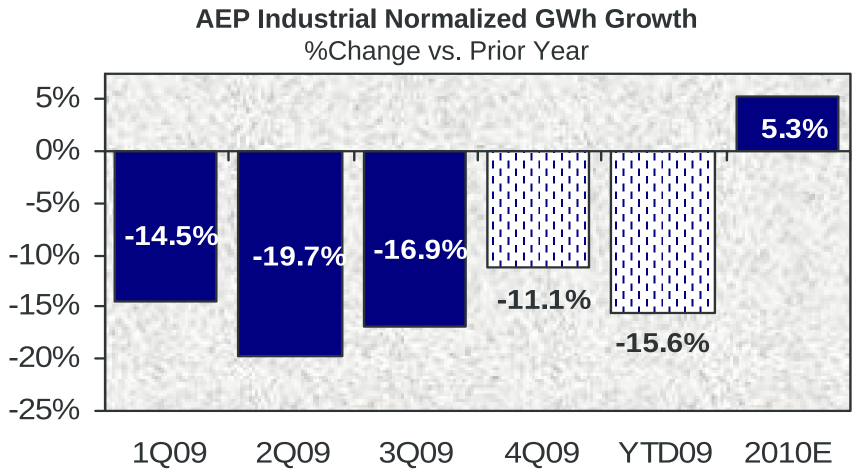
Annual Performance Drivers

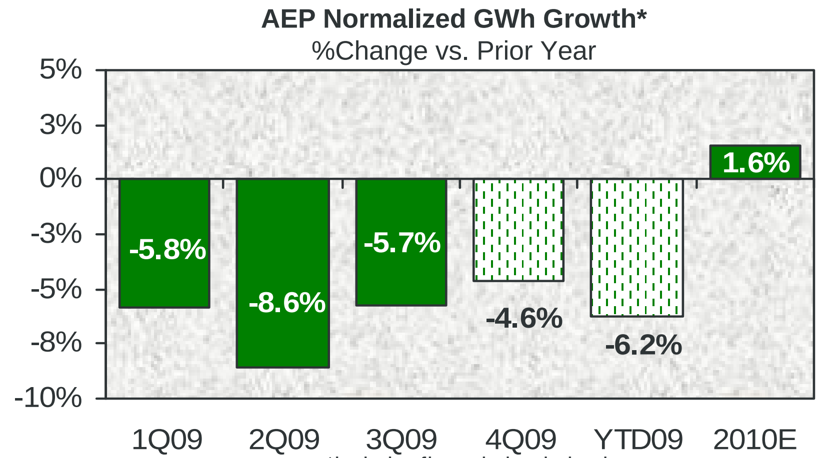
- *Rate Relief of $725MM in Ohio, APCo, PSO, I&M and KGP*
- *Load Contraction of $213MM, primarily Industrial at APCo (25%), Ohio (18%), and I&M (10%)*
- *Weather was unfavorable by $52MM vs. prior year and unfavorable by $66MM vs. normal*
- *Lower Off-System Sales of $333MM after sharing, primarily east physical where volume and price declined*
- *O&M expense increased $44MM primarily due to storm damage*
- *Share count impact due to 57MM weighted average shares outstanding increase (402MM to 459MM) from equity offering and DRP*
- *Other items primarily includes higher other operating income & 3rd party transmission revenue offset by higher depreciation and interest expense*

Normalized Load Trends



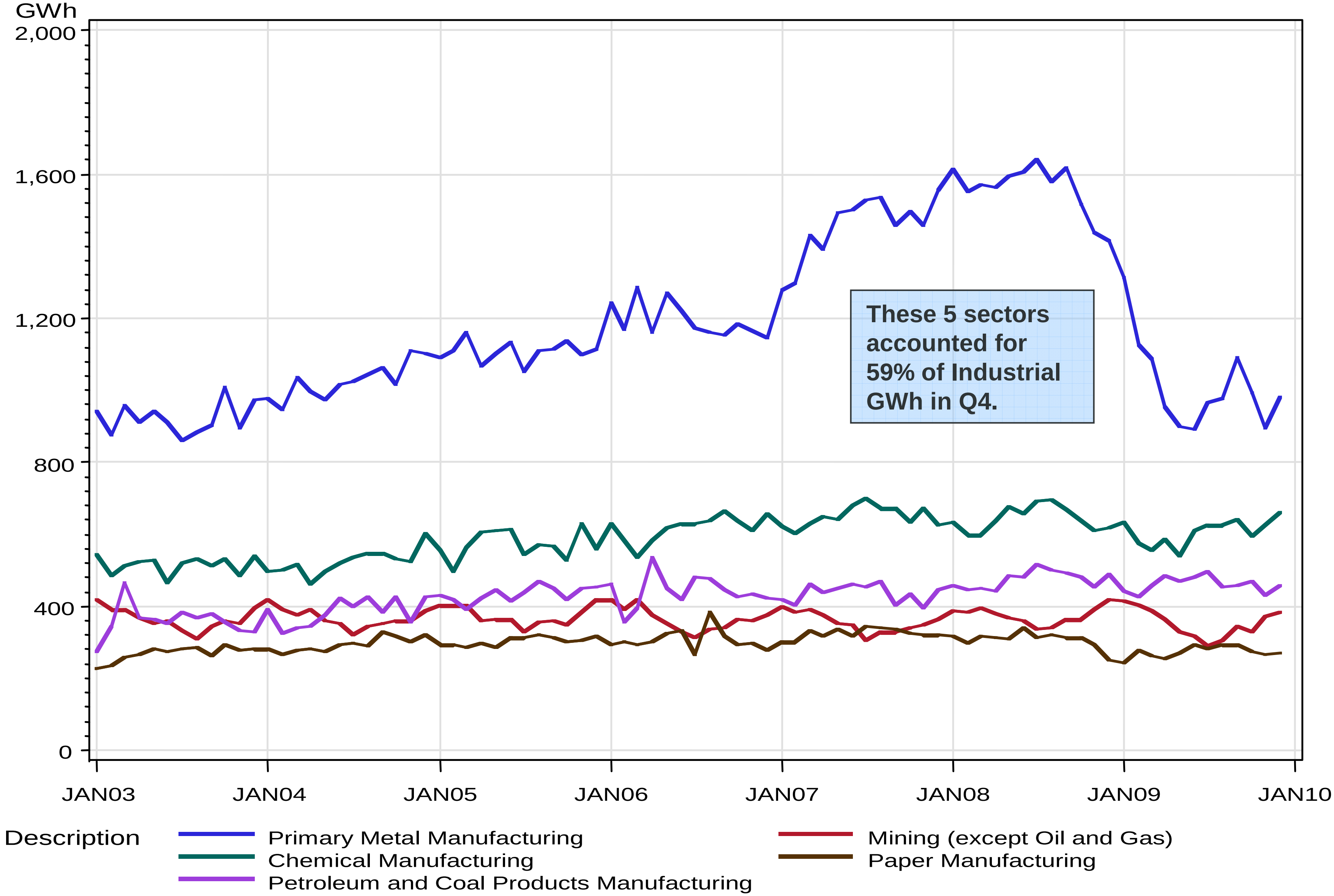






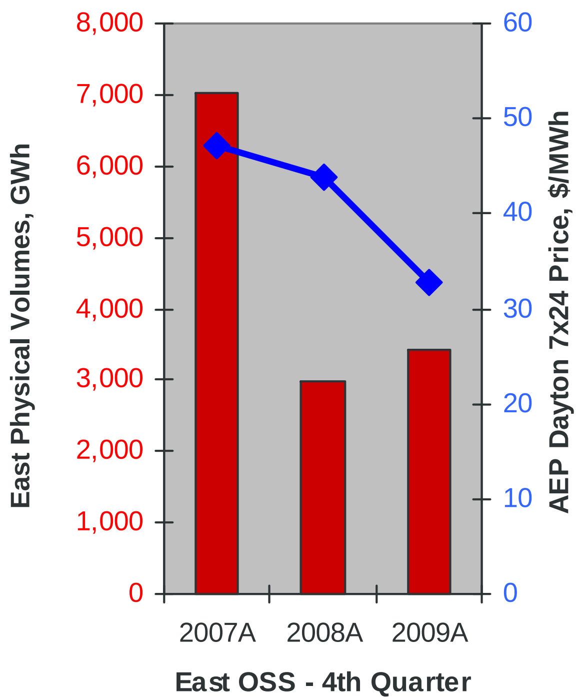
*includes firm wholesale load

Industrial Sales Volumes



East Off-System Sales

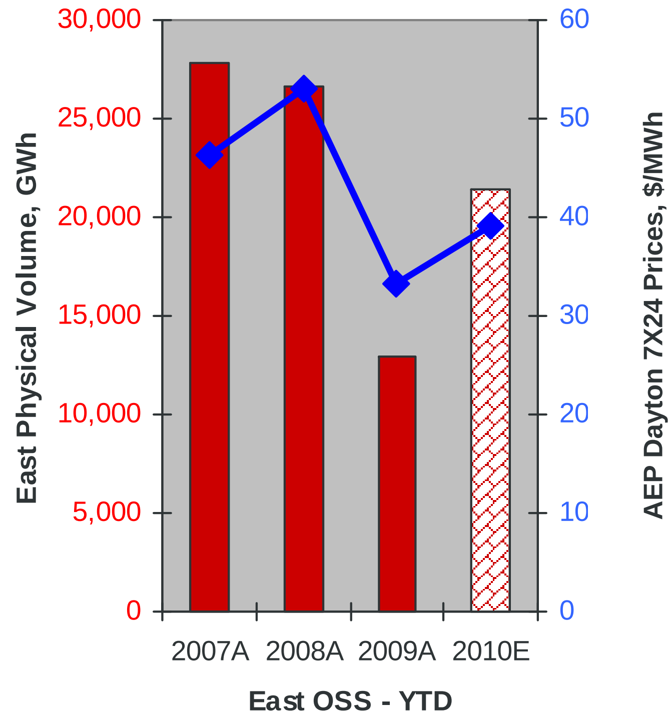
4th Quarter Actual



Volumes – Q4 2009 physical sales showed some improvement vs. Q4 2008, but continue to be off pre-recession levels

Prices – Q4 2009 liquidations reflect lower wholesale electricity pricing due to lower commodity costs and reduced demand

YTD2009 Actual/2010 Est.



Volumes – Annual 2009 physical sales were significantly lower than pre-recession levels

Prices – Annual 2009 liquidations reflect lower wholesale electricity pricing due to lower commodity costs and reduced demand

In 2010, a modest increase in forward electricity prices drives a 65% increase in projected volumes.

Additional 2010 Earnings Drivers

2010 Guidance: $2.80 - $3.20

O&M Assumptions

- $23MM increase over 2009, net of revenue offsets
- Includes $80MM increase in employee and operational expenses

Rate Relief Assumptions

- $320MM, net of trackers
- $167MM secured
  - AR, OH, OK, VA, WV
- Active or pending rate cases include KY, MI, TX, VA, WV and others

Questions

4Q09 Earnings

	$ millions			Earnings Per Share		
	4th Qtr 2008	4th Qtr 2009	Change	4th Qtr 2008	4th Qtr 2009	Change
Utility Operations	$ 182	$ 206	$ 24	$ 0.45	$ 0.44	$ (0.01)
Transmission Operations	0	1	1	0.00	0.00	0.00
Non-Utility Operations	56	33	(23)	0.14	0.07	(0.07)
Parent & Other	(1)	(2)	(1)	0.00	(0.01)	(0.01)
AEP On-Going Earnings	237	238	1	0.59	0.50	(0.09)
Special Items	(85)	0	85	(0.21)	0.00	0.21
Reported Earnings (GAAP)	$ 152	$ 238	$ 86	$ 0.38	$ 0.50	$ 0.12

Quarterly Performance Comparison

American Electric Power
Financial Results for 4th Quarter 2009 Actual vs 4th Quarter 2008 Actual

		2008 Performance Driver	2008 Actual ($ millions)	2008 Actual EPS	2009 Performance Driver	2009 Actual ($ millions)	2009 Actual EPS
	UTILITY OPERATIONS:						
	Gross Margin:						
1	East Regulated Integrated Utilities	18,242 GWh @ $ 36.0 /MWhr =	657		16,753 GWh @ $ 36.6 /MWhr =	613	
2	Ohio Companies	12,547 GWh @ $ 48.4 /MWhr =	607		11,699 GWh @ $ 57.3 /MWhr =	670	
3	West Regulated Integrated Utilities	9,629 GWh @ $ 24.6 /MWhr =	237		9,393 GWh @ $ 27.7 /MWhr =	260	
4	Texas Wires	6,159 GWh @ $ 20.6 /MWhr =	127		6,480 GWh @ $ 21.2 /MWhr =	137	
5	Off-System Sales	3,754 GWh @ $ 15.7 /MWhr =	59		4,044 GWh @ $ 16.8 /MWhr =	68	
6	Transmission Revenue - 3rd Party		82			85	
7	Other Operating Revenue		130			175	
8	Utility Gross Margin		1,899			2,008	
9	Operations & Maintenance		(933)			(1,006)	
10	Depreciation & Amortization		(351)			(388)	
11	Taxes Other than Income Taxes		(180)			(178)	
12	Interest Exp & Preferred Dividend		(219)			(238)	
13	Other Income & Deductions		33			37	
14	Income Taxes		(67)			(29)	
15	Utility Operations On-Going Earnings		182	0.45		206	0.44
16	Transmission Operations On-Going Earnings		-	-		1	-
	NON-UTILITY OPERATIONS:						
17	AEP River Operations		34	0.09		25	0.05
18	Generation & Marketing		22	0.05		8	0.02
19	Parent & Other On-Going Earnings		(1)	-		(2)	(0.01)
20	ON-GOING EARNINGS		237	0.59		238	0.50

Note: For analysis purposes, certain financial statement amounts have been reclassified for this effect on earnings presentation.

December YTD Earnings

	$ millions			Earnings Per Share		
	Dec YTD 2008	Dec YTD 2009	Change	Dec YTD 2008	Dec YTD 2009	Change
Utility Operations	$ 1,210	$ 1,317	$ 107	$ 3.02	$ 2.87	$ (0.15)
Transmission Operations	2	4	2	0.00	0.01	0.01
Non-Utility Operations	120	88	(32)	0.30	0.19	(0.11)
Parent & Other	(31)	(47)	(16)	(0.08)	(0.10)	(0.02)
AEP On-Going Earnings	1,301	1,362	61	3.24	2.97	(0.27)
Special Items	79	(5)	(84)	0.19	(0.01)	(0.20)
Reported Earnings (GAAP)	$ 1,380	$ 1,357	$ (23)	$ 3.43	$ 2.96	$ (0.47)

YTD Performance Comparison

American Electric Power
Financial Results for YTD December 2009 Actual vs YTD December 2008 Actual

		2008 Performance Driver	2008 Actual ($ millions)	2008 Actual EPS	2009 Performance Driver	2009 Actual ($ millions)	2009 Actual EPS
	UTILITY OPERATIONS:						
	Gross Margin:						
1	East Regulated Integrated Utilities	72,725 GWh @ $ 31.3 /MWhr =	2,278		66,976 GWh @ $ 36.7 /MWhr =	2,461	
2	Ohio Companies	52,181 GWh @ $ 46.6 /MWhr =	2,431		47,468 GWh @ $ 57.6 /MWhr =	2,733	
3	West Regulated Integrated Utilities	41,907 GWh @ $ 25.2 /MWhr =	1,057		40,321 GWh @ $ 28.8 /MWhr =	1,160	
4	Texas Wires	27,075 GWh @ $ 19.8 /MWhr =	537		27,573 GWh @ $ 20.7 /MWhr =	571	
5	Off-System Sales	29,365 GWh @ $ 28.8 /MWhr =	845		14,795 GWh @ $ 22.7 /MWhr =	337	
6	Transmission Revenue - 3rd Party		329			354	
7	Other Operating Revenue		569			767	
8	Utility Gross Margin		8,046			8,383	
9	Operations & Maintenance		(3,366)			(3,410)	
10	Depreciation & Amortization		(1,450)			(1,561)	
11	Taxes Other than Income Taxes		(749)			(751)	
12	Interest Exp & Preferred Dividend		(871)			(919)	
13	Other Income & Deductions		167			128	
14	Income Taxes		(567)			(553)	
15	Utility Operations On-Going Earnings		1,210	3.02		1,317	2.87
16	Transmission Operations On-Going Earnings		2	-		4	0.01
	NON-UTILITY OPERATIONS:						
17	AEP River Operations		55	0.14		47	0.10
18	Generation & Marketing		65	0.16		41	0.09
21	Parent & Other On-Going Earnings		(31)	(0.08)		(47)	(0.10)
22	ON-GOING EARNINGS		1,301	3.24		1,362	2.97

Note: For analysis purposes, certain financial statement amounts have been reclassified for this effect on earnings presentation.

YTD 2009 Cash Flow

($ millions)	2008	2009
Operating Activities		
Net Income -- Reported	**$ 1,388**	**$ 1,365**
Discontinued Operations	(12)	-
Continuing Earnings	**1,376**	**1,365**
Depreciation, Amortization & Deferred Taxes	2,037	2,868
Extraordinary Loss, net of Taxes	-	5
Changes in Components of Working Capital	(207)	(1,202)
Over/(Under) Fuel Recovery, Net	(272)	(490)
Other Assets & Liabilities	(358)	(60)
Cash Flows From Operating Activities	**2,576**	**2,486**
Investing Activities		
Capital Expenditures	(3,800)	(2,792)
Proceeds on Sale of Assets	90	278
Change in Other Temporary Cash Investments, net	39	(89)
Acquisition of Assets	(160)	(104)
Other Investing, net	(196)	(209)
Cash Flows Used for Investing Activities	**(4,027)**	**(2,916)**
Financing Activities		
Common Shares Issued, net	159	1,728
Long-term Debt Issuances, net	950	1,490
Short-term Debt Increase/(Decrease), net	1,316	(1,850)
Other Financing	(78)	(100)
Dividends Paid	(663)	(759)
Cash Flows From Financing Activities	**1,684**	**509**
Cash From Continuing Operations	**$ 233**	**$ 79**
Beginning Cash & Cash Equivalent Balances	178	411
Ending Cash & Cash Equivalent Balances	$ 411	$ 490

YTD 2009 Cash Flow Drivers:

Operating Activities

- Changes in working capital largely driven by coal inventory, taxes payable and employee related expenses.
- Changes in fuel recovery primarily relate to deferrals at APCo, OPCo and CSP.

Investing Activities

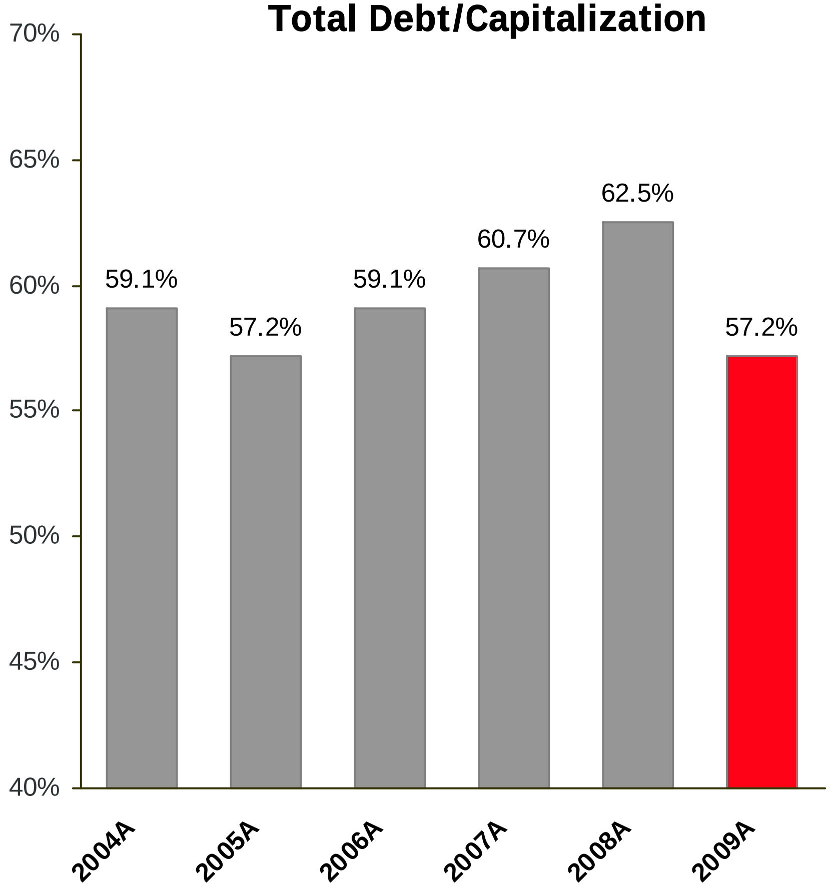
- Cash outlay for 2009 YTD capital investment.
- 2009 asset sale proceeds relate to the transfer of assets from TCC to ETT and the payments from third-party owners of the Turk Plant.
- Change in other investing primarily relates to the purchase of nuclear fuel.

Financing Activities

- 2009 common share issuances of $1,728MM primarily due to equity offering completed in April.
- Changes in short term debt relate to payments made on credit facilities from the proceeds of the equity offering.
- Changes in long-term debt driven by capital funding requirements.

Capitalization & Liquidity

Total Debt/Capitalization



Note: Total Debt is calculated according to GAAP and includes securitized debt

Current Liquidity Summary

Liquidity Summary (unaudited)	**Actual 12/31/09**	
($ in millions)	**Amount**	**Maturity**
Revolving Credit Facility	$1,500	Mar-11
Revolving Credit Facility	1,454	Apr-12
Revolving Credit Facility	627	Apr-11
Total Credit Facilities	**3,581**	
Plus		
AEP, Inc. cash and investments	490	
Less		
Commercial Paper Outstanding	(119)	
Letters of credit issued	(568)	
Net Available Liquidity	**$3,384**	

Detailed Ongoing Earnings Guidance

2009 Actual: $2.97

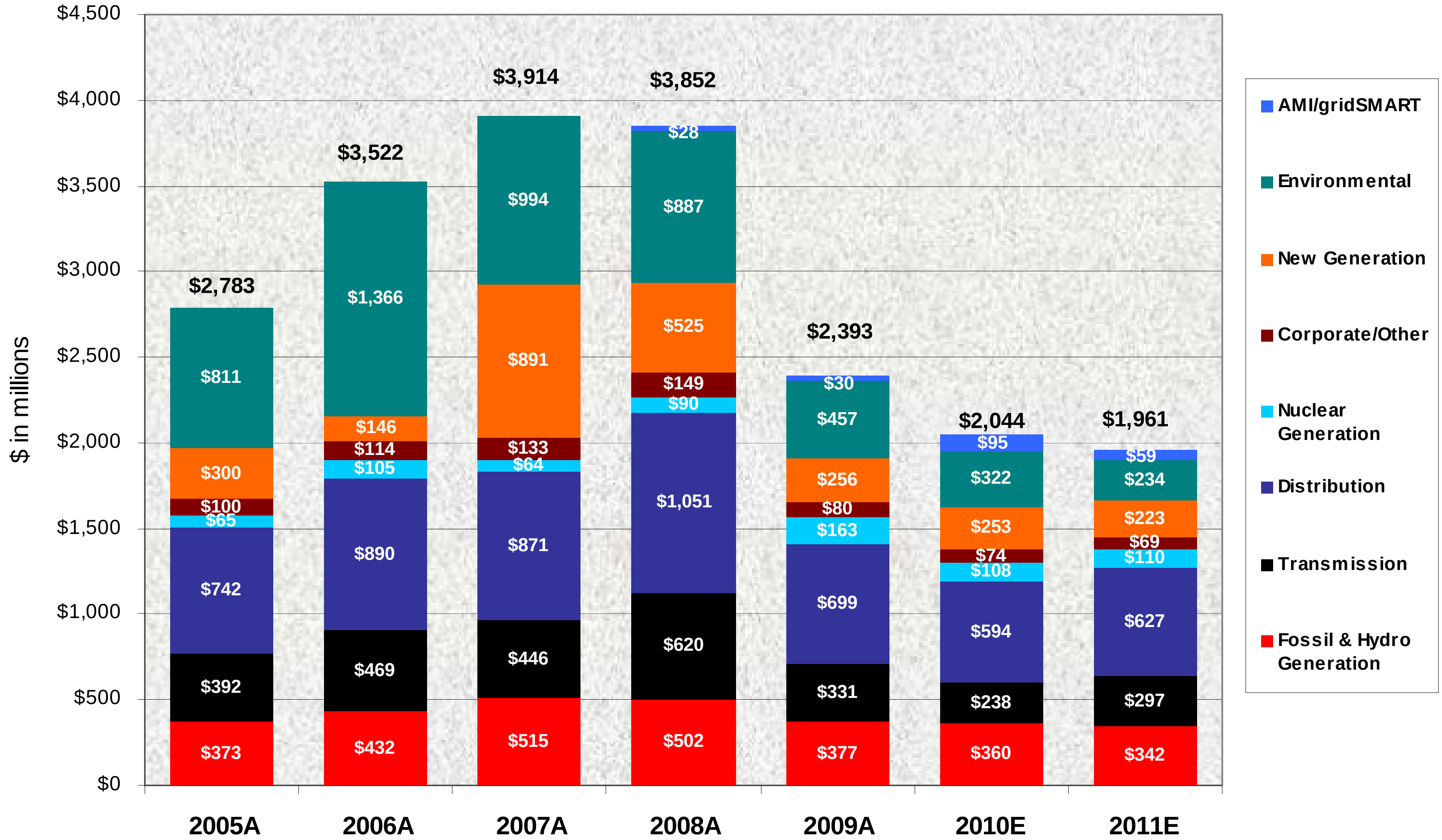
American Electric Power
2009 Actual vs. 2010 Guidance

2010E: $2.80-$3.20

		Performance Driver	2009 Actual ($ millions)	Performance Driver	2010 Guidance ($ millions)
	UTILITY OPERATIONS:				
	Gross Margin:				
1	East Regulated Integrated Utilities	66,976 GWh @ $ 38.0 /MWhr =	2,544	68,249 GWh @ $ 42.2 /MWhr =	2,878
2	Ohio Companies	47,468 GWh @ $ 57.6 /MWhr =	2,733	47,922 GWh @ $ 63.6 /MWhr =	3,048
3	West Regulated Integrated Utilities	38,947 GWh @ $ 30.0 /MWhr =	1,167	41,165 GWh @ $ 31.3 /MWhr =	1,287
4	Texas Wires	27,573 GWh @ $ 20.7 /MWhr =	571	27,510 GWh @ $ 22.2 /MWhr =	610
5	Off-System Sales (net of sharing)	14,795 GWh @ $ 16.7 /MWhr =	247	23,992 GWh @ $ 13.7 /MWhr =	329
6	Transmission Revenue - 3rd Party		354		352
7	Other Operating Revenue		767		541
8	Utility Gross Margin		8,383		9,045
9	Operations & Maintenance		(3,410)		(3,620)
10	Depreciation & Amortization		(1,561)		(1,637)
11	Taxes Other than Income Taxes		(751)		(793)
12	Interest Exp & Preferred Dividend		(919)		(957)
13	Other Income & Deductions		128		148
14	Income Taxes		(553)		(736)
15	Utility Operations On-Going Earnings		1,317		1,450
16	Transmission Operations On-Going Earnings		4		9
	NON-UTILITY OPERATIONS:				
17	AEP River Operations		47		43
18	Generation & Marketing		41		2
19	Parent & Other On-Going Earnings		(47)		(63)
20	ON-GOING EARNINGS		1,362		1,441

Note: For analysis purposes, certain financial statement amounts have been reclassified for this effect on earnings presentation.

Utility Operations Capital Expenditures



Non-Utility Operations Capital (not included above)

$ in millions	2008A	2009A	2010E	2011E
AEP River Operations	$115	$77	$16	$20
AEP Transco	0	1	$121	$175 - $325
Joint Venture Equity	$5	$47	$89	$155 - $355

Retail Rate Performance

	Rate Relief (in millions)
	4Q09 vs. 4Q08
East Regulated Integrated Utilities	$39
Ohio Companies	$125
West Regulated Integrated Utilities	$12
Texas Wires	$2
AEP System Total	$178
Impact on EPS	$0.28

	Rate Relief (in millions)
	YTD 2009 vs. YTD 2008
East Regulated Integrated Utilities	$241
Ohio Companies	$388
West Regulated Integrated Utilities	$83
Texas Wires	$13
AEP System Total	$725
Impact on EPS	$1.17

4Q09 Retail Performance

	Load Contraction (weather normalized) 4Q09 vs. 4Q08
East Regulated Integrated Utilities	-7%
Ohio Companies	-6%
West Regulated Integrated Utilities	-3%
Texas Wires	3%
Impact on EPS	**($0.11)**

	Weather Impact 4Q09 vs. 4Q08
East Regulated Integrated Utilities	($0.02)
Ohio Companies	($0.01)
West Regulated Integrated Utilities	($0.00)
Texas Wires	$0.00
Impact on EPS	**($0.03)**

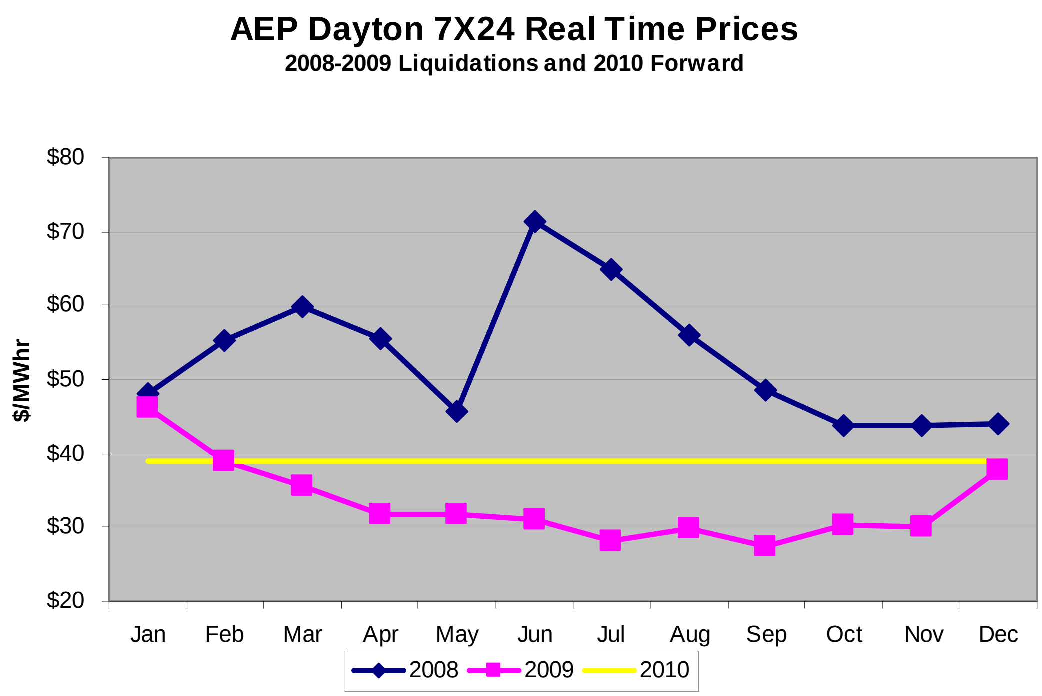
YTD Retail Performance

	Load Contraction (weather normalized) YTD 2009 vs. YTD 2008
East Regulated Integrated Utilities	-7%
Ohio Companies	-8%
West Regulated Integrated Utilities	-4%
Texas Wires	-1%
Impact on EPS	($0.34)

	Weather Impact YTD 2009 vs. YTD 2008
East Regulated Integrated Utilities	($0.04)
Ohio Companies	($0.06)
West Regulated Integrated Utilities	($0.02)
Texas Wires	$0.03
Impact on EPS	($0.08)*

*May not foot due to rounding

Off-System Sales



- 4Q09 AEP/Dayton Hub 7X24 prices (liquidations) were 25% below Q4 2008
- 4Q09 AEP Off system sales volumes were up approximately 8% over 4Q08
- The calendar year 2010 strip is currently above actual liquidations for 2009 but remain below 2008 liquidations by approximately 26%

2008 Liquidations vs. 2009 Liquidations*				
Hub	2008	2009	$ Change	% Change
AEP Dayton	53.04	33.23	(19.81)	-37%
PJM West	68.52	38.30	(30.22)	-44%
NiHub	48.99	28.86	(20.14)	-41%
CinHub	49.22	29.05	(20.17)	-41%
SPP	54.89	29.11	(25.77)	-47%
NG ($/mmBtu)	9.04	3.99	(5.05)	-56%

2009 Liquidation vs. 2010 Forwards*				
Hub	2009	2010 Fwd	$ Change	% Change
AEP Dayton	33.23	39.22	5.99	18%
PJM West	38.30	48.07	9.77	25%
NiHub	28.86	33.88	5.02	17%
CinHub	29.05	35.10	6.05	21%
SPP	29.11	35.60	6.49	22%
NG ($/mmBtu)	3.99	5.79	1.81	45%

*($/MWh)

Off System Sales Gross Margin Detail

	4Q08					4Q09			
	GWh	Realization		($millions)	GWh	Realization		($millions)	
OSS Physical Sales	3,754	$ 10.39	$	39	4,044	$ 5.44	$	22	
Oklaunion Margin	-		$	12	-		$	11	
Marketing/Trading	-		$	8	-		$	35	
Pre-Sharing Gross Margin	3,754		$	59	4,044		$	68	

	YTD 2008				YTD 2009			
	GWh	Realization	($millions)		GWh	Realization	($millions)	
OSS Physical Sales	29,365	$ 24.45	$	718	14,795	$ 7.71	$	114
Oklaunion Margin	-		$	45	-		$	47
Marketing/Trading	-		$	82	-		$	176
Pre-Sharing Gross Margin	29,365		$	845	14,795		$	337