C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?
- Direct engagement with policy makers
- Trade associations
- Funding research organizations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

<table>
<thead>
<tr>
<th>Focus of legislation</th>
<th>Corporate position</th>
<th>Details of engagement</th>
<th>Proposed legislative solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cap and trade</td>
<td>Support with minor exceptions</td>
<td>AEP supported the Waxman-Markey climate bill in 2009 which would have implemented a cap-and-trade program. AEP continues to support this type of approach in lieu of regulation through the Clean Air Act. Engagement occurs through various forms of communication with regulators, policymakers and stakeholders. These discussions generally occur at the federal level given the global scope of the underlying issue.</td>
<td>AEP will continue to advocate for this approach to climate policy as the most economical way to address the climate issue and balance cost and benefits. However, political deadlock in Washington, D.C. has rendered this approach dormant for the time being.</td>
</tr>
<tr>
<td>Carbon tax</td>
<td>Oppose</td>
<td>While a carbon tax represents a potential source of revenue, its disadvantages for the economy and the electric power and energy industry in particular, and the uncertainty of the environmental benefits that would be achieved, keep it from becoming a reasonable policy solution. Engagement occurs through various forms of communication with regulators, policymakers and stakeholders, generally at the federal level, though many state regulators are also interested in our position.</td>
<td>AEP will continue to maintain that this type of approach does not represent a workable solution to reduce carbon emissions and places added burden on customers with no clear benefit.</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>Support with minor exceptions</td>
<td>AEP generally supports federal and state policy initiatives to improve the energy efficiency of the U.S. economy. AEP supports reasonable and justified policies that do not adversely impact any individual customers or businesses, including AEP. Engagement occurs</td>
<td>AEP will continue to support energy efficiency policies where cost effective measures can be achieved.</td>
</tr>
</tbody>
</table>
through various forms of communication with regulators, policymakers and stakeholders. This engagement occurs both at the federal level as well as the state level on energy efficiency legislation and potential regulations. Engagement is focused especially on those state officials and regulators involved in setting the required amounts of energy efficiency to be achieved by our customers.

| Clean energy generation | Support with minor exceptions | AEP has been gradually adding various forms of lower-emitting energy to its electric system and believes that such sources can play an increasing role in the diversification of the U.S. generating mix. However, policies to support clean energy need to carefully balance long-term objectives with cost impacts. Engagement occurs through various forms of communication with regulators, policymakers and stakeholders. Seven of the states in which AEP operates have renewable or alternative energy portfolio standards and AEP continues to have dialogues with regulators and policymakers in all of its states regarding potential new or modified standards. |

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association
Edison Electric Institute
Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
As Congress works to address this issue, it is essential to include effective consumer protection measures that help to reduce price increases for consumers and avoid harm to U.S. industry and the economy. (www.eei.org/ourissues/the Environment/climate/Pages/default.aspx)

How have you influenced, or are you attempting to influence their position?
AEP serves on several committees and in leadership positions in EEI.

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Trade association
U.S. Chamber of Commerce

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
A deeper understanding of the issues and developing science associated with the environment and climate change will influence national and global energy, economic, and environmental policy choices. Balancing these priorities requires greater consideration of the complex processes driving climate change and increased attention to adaptation measures. We must increase our investment in climate science, which will enable us to adjust policies as scientific understanding advances. At the federal level, we need better coordination and collaboration across agencies for policy coherence and balance. (http://www.energyxxi.org/invest-climate-science-guide-energy-economic-and-environmental-policy)

How have you influenced, or are you attempting to influence their position?
AEP is a member of the U.S. Chamber of Commerce, as are many of our customers. We believe it is important to be at the table for our views to be heard. We may not always be in a position of influence on any single issue, but we actively engage on a range of issues.

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Trade association
Business Roundtable

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
Business Roundtable is an association of chief executive officers of leading U.S. companies working to promote a thriving economy and expanded opportunity for all Americans through sound public policy. Access to reliable, affordable energy undergirds
American Electric Power Company, Inc.

CDP Climate Change Questionnaire 2020

Wednesday, August 26, 2020

U.S. national and economic security, and a clean, healthy environment is essential for economic prosperity now and for future generations. Business Roundtable supports policies that capitalize on America’s strengths in technology and energy diversity to maximize U.S. energy options and preserve environmental quality. The business community has a special obligation to step forward and help build an environmentally and economically sustainable future. AEP was among the companies that signed on to the BRT’s corporate purpose pledge.

How have you influenced, or are you attempting to influence their position?
AEP’s CEO is an active member of the Roundtable and previously chaired the Energy and Environment committee.

Trade association
Global Sustainable Electricity Partnership

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association’s position
The mission of the Global Sustainable Electricity Partnership is to play an active role in addressing global electricity issues and to promote sustainable development worldwide. Missions include:
1) Develop joint policy frameworks and implement related initiatives in both domestic and international markets.
2) Engage in the global debates on electricity-related issues, taking joint positions.
3) Provide information and expertise on the efficient generation and use of electricity to assist developing countries in strengthening their human capabilities.

How have you influenced, or are you attempting to influence their position?
AEP serves on the Board of Directors.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?
No

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?
Similar to other companies, AEP has a public policy strategy that seeks to influence decisions being made at Congress, FERC, state legislatures and regulatory commissions. We do this to mitigate our risk exposure and to help us achieve our business objectives. In 2017, AEP formed an internal Policy Advisory Team (PAT) to better manage public policy issues. This team is composed of senior executives across AEP, including some of those who represent the