

# AMERICAN ELECTRIC POWER COMPANY INC.



## Company Overview

American Electric Power Company Inc. (“AEP”) is one of the largest regulated electric utilities in the United States, providing electricity generation, transmission, and distribution services to retail and wholesale customers across the Midwest and Southeast. The company delivers electricity to more than 5.6 million customers in 11 states and operates one of the largest electric transmission systems in North America.

**Operating segments** include Vertically Integrated Utilities, Transmission and Distribution Utilities, AEP Transmission Holdco, and Generation & Marketing. Vertically Integrated Utilities represent the largest contributor to revenue, followed by Transmission and Distribution operations, which have become increasingly important as the company invests heavily in grid modernization and long-distance transmission infrastructure.

**Competitive positioning** is supported by the scale of its regulated operations, ownership of the largest electricity transmission network in the United States (approximately 40,000 system miles), and a diversified service territory spanning high-growth regions such as Texas, Ohio, and Oklahoma. The company operates approximately 31 gigawatts of generating capacity and maintains a diversified generation portfolio including coal, natural gas, nuclear, and renewable sources.

**Strategic focus** centers on expanding regulated transmission infrastructure, supporting large-load growth driven by data centers and industrial demand, increasing renewable generation capacity, and executing a \$72 billion capital investment plan through 2030 designed to expand rate base and support long-term earnings growth.

**Headquarters:** Columbus, Ohio, United States

**Number of employees:** Approximately 17,000

## 1. Top 5 Competitors

- **Duke Energy Corporation** – Large regulated utility serving multiple U.S. states with diversified generation and transmission assets.
- **NextEra Energy Inc.** – Major utility and renewable energy leader with extensive wind and solar generation.
- **Dominion Energy Inc.** – Integrated utility with regulated electricity and natural gas infrastructure across the Mid-Atlantic region.
- **Exelon Corporation** – Electric utility holding company with large regulated distribution operations in the Northeast and Midwest.
- **Xcel Energy Inc.** – Electric and natural gas utility focused on renewable energy development and regulated grid investments.

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## 2. Largest Institutional Shareholders

(Estimated from latest available institutional filings; percentages rounded.)

Shareholder	% Ownership	Shares (Millions)
The Vanguard Group Inc.	~9.6%	~52M
BlackRock Inc.	~6.1%	~33M
State Street Corp.	~5.6%	~30M
GQG Partners	~3.1%	~17M
Wellington Management	~2.7%	~15M
Fidelity Management	~2.4%	~13M
T. Rowe Price Associates	~2.2%	~12M
Morgan Stanley Investment Management	~2.0%	~11M
Geode Capital Management	~1.8%	~10M
Invesco Ltd.	~1.6%	~9M

**Top 10 Institutional Ownership:** ~37–40%

**Total Institutional Ownership:** ~84–86%

## 3. Management Team

- **Bill Fehrman** – Chairman, President & Chief Executive Officer
- **Trevor Mihalik** – Executive Vice President & Chief Financial Officer

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- Charles Zebula – Executive Vice President
- Sara Martinez Tucker – Lead Independent Director
- Benjamin Fowke III – Director

Management remains focused on expanding regulated transmission infrastructure, strengthening balance sheet discipline, and delivering stable dividend growth.

## 4. Revenue

### Latest fiscal year:

- FY2025 revenue totaled **\$21.9 billion**, compared with \$19.7 billion in FY2024.
- Net income reached approximately **\$3.58 billion**, with GAAP EPS of **\$6.70 per share**.
- Operating earnings for FY2025 were **\$5.97 per share**, representing roughly **6% growth** versus 2024.

### Recent quarterly performance:

- Q4 2025 revenue totaled **\$5.3 billion**, up from \$4.7 billion in Q4 2024.
- Q4 2025 operating earnings were **\$638 million**, or **\$1.19 per share**, compared with \$660 million or \$1.24 per share in the prior year quarter.

### Forward outlook:

- Management reaffirmed **2026 operating earnings guidance of \$6.15–\$6.45 per share**.
- Long-term operating earnings growth projected at **7%–9% annually**.
- AEP plans approximately **\$72 billion in capital investment through 2030**, primarily focused on transmission expansion, generation upgrades, and distribution infrastructure.

### Key revenue drivers:

- Regulated transmission infrastructure expansion
- Large load demand growth from data centers and industrial customers
- Renewable generation deployment
- Rate base growth through regulatory approvals
- Population and economic expansion across core service regions

## 5. Institutions with Buy Recommendations

- Goldman Sachs
- Morgan Stanley
- JPMorgan
- UBS
- Wells Fargo
- BMO Capital Markets

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Analysts highlight AEP's regulated earnings stability, transmission growth opportunities, and consistent dividend profile.

## 6. Analyst Sentiment Summary

**Consensus rating:** Buy

Analyst sentiment reflects confidence in AEP's regulated business model, steady earnings trajectory, and transmission-driven capital investment strategy that supports long-term rate base expansion.

## 7. Insider Buying and Selling (Last 24 Months)

- Insider activity has been modestly net negative over the past six months.
- Total shares disposed exceeded shares acquired during the period.
- Recent executive transactions included approximately **34,676 shares sold** across several officers and directors.
- Sales appear primarily associated with compensation-related equity awards and structured trading plans.