AMERICAN ELECTRIC POWER HABITAT CONSERVATION PLAN (HCP)

FREQUENTLY ASKED QUESTIONS

1 What is a Habitat Conservation Plan?

A Habitat Conservation Plan (or HCP) is a required part of an application for an Incidental Take Permit issued by the U.S. Fish and Wildlife Service under the Endangered Species Act of 1973 (ESA). HCPs describe, among other items:

- The anticipated impacts of take that could occur as a result of the applicant's otherwise lawful activities
- · Steps the applicant can implement to avoid or minimize the potential for take
- · Measures to monitor and mitigate any take that occurs
- · How the applicant plans to fund the HCP
- **1** What is "take" under the ESA?

"Take" means "to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture or collect, or to attempt to engage in any such conduct." "Harm" includes significant habitat modification that kills or injures a listed species by impairing essential behaviors such as breeding, feeding or sheltering. Section 9 of the ESA prohibits the take of threatened and endangered species.

What is an Incidental Take Permit?

Incidental take permits describe the process used to minimize the potential for take, and to monitor and mitigate any take that occurs.

How does the HCP work?

AEP works with the U.S. Fish and Wildlife Service to prepare the HCP. The process involves identifying:

- · Any threatened and endangered species that might be taken as a result of transmission construction
- · The area where the activities might occur
- · The amount and extent of possible take
- · Conservation measures to avoid, minimize and mitigate the impacts of take

After agreeing with these conservation measures, the U.S. Fish and Wildlife Service can issue the requested incidental take permit to AEP.





Why is AEP developing an HCP?

AEP owns and operates the largest electric transmission system in the United States, serving customers in 11 states. In certain regions, some of the company's activities could affect species protected by the ESA. An HCP outlines steps to avoid or minimize these impacts.

In addition, an HCP makes the permitting process more efficient for transmission projects. AEP representatives currently work with federal and state partners on a project-by-project basis to address potential impacts to threatened and endangered species. This approach complies with Section 7(a)(2) or Section 10(a)(1)(B) of the ESA. Going forward, the scale of transmission construction combined with increasingly complicated, overlapping and sometimes conflicting regulatory requirements, make project-by-project compliance impractical as it could impede:

- · Implementation of projects needed to comply with federal Electric Reliability Organization standards
- · The scheduling of outages required to connect new infrastructure to the existing grid
- · The company's participation in competitive transmission projects approved by Regional Transmission Organizations

The proposed HCP can:

- · Formalize, streamline and standardize ESA compliance procedures system wide
- · Establish regulatory certainty when planning, scheduling and implementing transmission projects
- · Improve permitting efficiencies for federal agencies
- · Improve species conservation through a regional approach to ESA compliance

What will the HCP and Incidental Take Permit cover?

The HCP includes counties, parishes and independent cities currently served by AEP operating companies in parts of Arkansas, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, West Virginia, Virginia and Texas.

The plan covers 10 species:

- · 2 federally endangered or threatened mammals (northern long-eared bat, Indiana bat)
- · 2 mammal candidates for federal listing (tri-colored bat, little brown bat)
- 3 federally endangered birds (whooping crane, golden-cheeked warbler, red-cockaded woodpecker)
- 1 federally threatened reptile (eastern massasauga rattlesnake)
- · 2 federally endangered insects (rusty patched bumble bee and Mitchell's satyr butterfly)

Activities for which the company is seeking incidental take authorization include building new transmission lines, rebuilding transmission lines and building or upgrading facilities such as electrical substations.

7 How do I get more information?

Learn more at FWS.gov/midwest/endangered/permits/hcp/AEP/.

