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Tariff Manual - Public Utility Commission of Texas

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FIXED FUEL FACTOR

Electric service billed under applicable rate tariffs shall be subject to this Fixed Fuel Factor in accordance with the Substantive Rules of the Public Utility Commission of Texas Section 25.237.

The Fixed Fuel Factor is multiplied by the kWh sales read, estimated or determined under a metering voltage provision of an applicable rate schedule during the billing month.

The Fixed Fuel Factors are:

Service Voltage	January - March	April - June	July – September	October – December
Transmission – 138 kV	$.024469	$.027672	$.031267	$.027968
Transmission – 69 kV	$.024790	$.028036	$.031678	$.028336
Primary Substation *	$.024772	$.028015	$.031655	$.028315
Primary	$.025111	$.028398	$.032088	$.028702
Secondary	$.025929	$.029323	$.033133	$.029637

*Applicable to Primary Service supplied from the Substation bus.

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ENERGY EFFICIENCY COST RECOVERY RIDER

APPLICABILITY

Rider Energy Efficiency Cost Recovery Factor (EECRF) recovers the cost of energy efficiency programs not included in base rates and is applicable to the kWh of Retail Customers taking retail service from the Company. P.U.C. SUBST. R. 25.181(f)(4) provides that no later than May 1 of each year, a utility with an EECRF shall apply to adjust the EECRF in order to adjust for changes in costs and bonuses and to minimize any over- or under-collections of energy efficiency costs resulting from the use of the EECRF. The EECRF filed by May 1 of each year will be calculated in accordance with the following methodology and will be applied to the billing kWh billed by the Company.

Rates Included In Major Rate Classes*

Residential	Industrial	
Residential Service	Large Lighting & Power Service	
Rider for Controlled Service to Water Heater	Standby Service	
	Electric Furnace Service	N
	Metal Melting Service Distribution	
	Oil Field Large Industrial	
	Supplementary, Backup, Maintenance and As-Available Power Service	
	Interruptible Power Service	

Commercial Service	Lighting Service	
General Service	Street Lighting Service	
Lighting & Power Service	Municipal Street Lighting Service	
Municipal Pumping Service	Municipal Street & Parkway Lighting Service	
Municipal Service	Public Highway Lighting Service	
As Available Standby Power Service	Private Lighting Service	
Cotton Gin	Area Lighting Service	N
Recreational Lighting	Outdoor Lighting Service	N
Customer Supplied Lighting	Highway Lighting Service	N

*excludes transmission 69 kV & above customer classes

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ENERGY EFFICIENCY COST RECOVERY RIDER

AVAILABILITY

The following factors will be applied to the energy usage (metered or unmetered) of retail customers taking service from the Company.

MONTHLY RATE

Rate Schedule	Rate Code*	Factor Per kWh	
Residential Service	015,019,037,038	$0.001154	
Rider to Residential Service For Controlled Service to Water Heater	011	$0.001154	
General Service	205,206,207,208,209 210,211,212,218,219	$0.000518	
Cotton Gin	235	$0.000518	N
Lighting & Power Service Sec	060,063,240,241,243	$0.000518	
Lighting & Power Service Pri	066,246,249,247,276	$0.000518	
Large Lighting and Power Service Pri	346,351	$0.000595	
Electric Furnace Service	312	$0.000595	N
Interruptible Service	323,324	$0.000595	
Metal Melting Service Distribution	325	$0.000595	
Oil Field Large Industrial Power Schedule	329	$0.000595	
Municipal Pumping Service	540,550	$0.000518	
Municipal Service	544,545,548	$0.000518	
Municipal Lighting Service	522,528,529,534,535 538,539,739	$0.000826	
Private & Area Lighting	090,094,096,098,104 108,112,115,132,135 137,138,140,141,142 143	$0.000826	

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Outdoor Lighting Service	099,100,101,102,105,106, 116,117,118,119,120,128		N
	129,130,203	$0.000826	N
Highway Lighting Service	521,532	$0.000826	N
			C

*Rate codes may be added or discontinued during the year. Any new rate code will be billed the EECR rate based on the customer's applicable Rate Schedule. T

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PURCHASED POWER AND CONSERVATION FACTOR

APPLICATION

Applicable to all standard rates and all kilowatt-hours sold thereunder. For electric service billed under applicable rate schedules for which there is not metering, the monthly kilowatt-hour usage shall be estimated by the Company and the Purchased Power and Conservation Factor shall be applied. To the amount due from charges of the rate schedules under which electric service is provided is added the costs of demand-side management resources (DSM) and renewable energy resources approved for PPCF cost recovery by the Commission and not recovered in base rates. The Purchased Power and Conservation Factor will be calculated in accordance with the following methodology and will be applied to all kilowatt-hours sold.

Method of Calculation For Purchased Power and Conservation Factor

A Purchased Power and Conservation Factor (PPCF) is calculated annually for each major rate class.
The formula for the PPCF is as follows:

PPCF = Demand Side Management costs (DSM) + Renewable Energy Resource Costs (RER)/
Estimated kWh sales (S)

Method of Calculation For Demand-Side Management Costs (DSM)

DSM = (DP - TU) * AAF, where:

DP = Estimated costs of DSM resource contracts executed in connection with the Company's integrated resource planning process or as a result of a Commission-approved solicitation that have been approved for PPCF cost recovery by Commission order.

TU = True-Up amount to correct for any variance between actual DSM-related costs that have been approved for PPCF cost recovery by Commission order and the DSM-related revenue received from the PPCF. The calculation of TU will be conducted annually, which will determine the TU for the following year. The calculation will be performed as follows:
TU = AR - ADP; where AR is the actual DSM-related revenue received from the application of the PPCF in the period; and ADP is the actual DP which the Company intended to recover for the same period.

AAF = Adjusted Allocation Factor is ((((DP - TU) * D) / BPS) * S) for each listed major rate class / divided by the sum of this calculation for all listed major rate classes.

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BPS = Base Period Adjusted Kilowatt-hour Sales are the sales utilized to calculate the Kilowatt-hour rate for the first year of the PPCF. These kWh sales figures are as follows:

Major Rate Class	Base Period kWh Sales
Residential	2,192,184,285
Commercial	3,554,724,415
Industrial	1,443,278,446
Lighting	90,122,981

D = Demand Allocation Factor for each major rate classes from the company's cost allocation study provided in the most recent rate case. The demand allocator is as follows:

SWEPCO Demand Allocation Table

Customer Class	Allocator
Residential	37.58%
Commercial	46.32%
Industrial	14.50%
Lighting	1.6%

S = Estimated annual kWh sales for each major rate class.

Pursuant to ordering paragraph 3 of the final order in Docket No. 35625, the DP energy efficiency costs for the low-income weatherization program will cease after the final December 2008 billing cycle which is December 29, 2008.

Method of Calculation For Renewable Energy Resources(RER)

RER = (ERC - TU) * AAF:

ERC = Estimated costs of renewable energy resources that have been approved for PPCF cost recovery by Commission order.

TU = True-Up amount to correct for any variance between actual renewable energy resources- related costs and the renewable energy resources-related revenue received from the PPCF. The calculation of TU will be conducted annually, which will determine the TU for the following year. The calculation will be performed as follows: TU = AR - AERC; where AR is the actual renewable energy resources-related revenue received from the application of the PPCF in the period; and AERC is the actual ERC which the Company intended to recover for the same period.

AAF = Adjusted Allocation Factor is ((((ERC - TU) * DE) / BPS) * S) for each listed major rate class / divided by the sum of this calculation for all listed major rate classes.

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BPS = Base Period Adjusted Kilowatt-hour Sales are the sales utilized to calculate the Kilowatt-hour rate for the first year of the PPCF. These kWh sales figures are as follows:

Major Rate Class	Base Period kWh Sales
Residential	2,192,184,285
Commercial	3,554,724,415
Industrial	1,443,278,446
Lighting	90,122,981

DE = Demand and Energy Allocation Factor for each major rate class from the company's cost allocation study provided in the most recent rate case based on an allocation ratio of 94% Energy and 6% Demand. The Demand/Energy allocator is as follows:

SWEPCO Demand/Energy Allocation Table

Customer Class	Allocator
Residential	33.02%
Commercial	47.85%
Industrial	17.75%
Lighting	1.38%

S = Estimated annual kWh sales for each major rate class.

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Rates Included In Major Rate Classes

Residential Rate Class:

Basic Service
Basic Service with Water Heating
Basic Service with Space Heating
Basic Service with Water & Space Heating

Industrial Rate Class:

Large Lighting & Power Service
Standby Service
Metal Melting Service Distribution
Metal Melting Service 69 kV & Above
Oil Field Large Industrial Power
Contract with Lone Star Steel
Interruptible Power Service

Commercial Rate Class:

General Service
Lighting & Power Service
Municipal Pumping Service
Municipal Service
As Available Standby Power Service

Lighting Rate Class:

Street Lighting Service
Municipal Street Lighting Service
City of Longview
Municipal Street & Parkway Lighting Service
Public Highway Lighting Service - Energy Only
Public Highway Lighting Service C
Private Lighting Service
Area Lighting Service (Outdoor)

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RATE SCHEDULE	RATE CODE	RER and Energy Efficiency Refund Effective Date 12/30/09-01/29/10 $ per kWh (1)	RER and Energy Efficiency Effective Date 01/30/10 $ per kWh (1)
Residential Service (RS)	015,019,037,038	0.000924	0.000
Rider to Residential Service for Controlled Service to Water Heater (RWH)	011	0.000924	0.000
General Service (GS)	205,206,207,208 209,210,211,212 218,219	0.001082	0.000
Lighting and Power Service (LP) – Secondary	060,063,240,241 243	0.001082	0.000
Lighting and Power Service (LP) - Primary	066,246,249,247 276	0.001082	0.000
Lighting and Power Service (LP) - Transmission Level Voltage	252,254,255	0.001082	0.000
Large Lighting and Power Service (LLP)	346,351	0.001369	0.000
Large Lighting and Power Service (LLP) - Transmission Level Voltage	342,344	0.001369	0.000
Metal Melting Service - Distribution Voltage (MMS)	325	0.001369	0.000
Metal Melting Service - 69 kV or Higher (MMS-69kV) – Transmission Level Voltage	321	0.001369	0.000
Contract with Lone Star Steel Company (LSS) – Transmission Level Voltage	328	0.001369	0.000

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RATE SCHEDULE	RATE CODE	RER and Energy Efficiency Refund Effective Date 12/30/09-01/29/10 $ per kWh (1)	RER and Energy Efficiency Effective Date 01/30/10 $ per kWh (1)
Oil Field Large Industrial Power Schedule (OLI)	329	0.001369	0.000
Municipal Pumping Service (MPS)	540,550	0.001082	0.000
Municipal Service Schedule (MS)	544,545,548	0.001082	0.000
Municipal Lighting Service	522,528,529,534 535,538,539,739	0.001079	0.000
Private & Area Lighting Service (PL & AL)	090,094,096,098 104,108,112,115 132,135,137,138 140,141,142,143	0.001079	0.000
As - Available Standby Power Service - Secondary	240	0.001082	0.000
As - Available Standby Power Service - Primary	246,276	0.001082	0.000
Interruptible Power Service - Transmission Level Voltage	320,323,324	0.001369	0.000

C

(1) To be applied to metered or unmetered kilowatt-hours

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INTERRUPTIBLE POWER SERVICE (IPS)

AVAILABILITY
This schedule is available for loads of not less than 5,000 kilowatts at points along Company's existing transmission lines of 69 KV or higher having sufficient kilovolt-amperes available to service such loads provided interruptible capacity in the opinion of the Company is available. It is understood that electric service furnished hereunder is subject to interruption as set forth in the following conditions of service.

CHARACTER OF SERVICE
Electric power and energy delivered by Company to Customer will be three phase, 60-cycle, alternating current, at a nominal voltage of 69 KV or higher. Metering will be at or adjusted to the service voltage.

CONDITIONS OF SERVICE
The cost of providing facilities necessary to connect the Customer's load to the system of the Company will be paid for by the Customer.

The Customer will provide a control circuit to a Company location that can be operated by Company supervisory control to interrupt Customer's load.

The Company will interrupt Customer's load for up to 30 times each Interruptible Year for a total of 150 hours. Company will endeavor to notify Customer at least 30 minutes in advance of the required interruption. Interruptible load will be subject to immediate interruption for emergency system conditions in addition to the above. The Interruptible Year will begin June 1 and will end May 31 of the following year.

MONTHLY RATE
Kilowatt Charge: $3.83 per Kilowatt of Billing Demand I

Kilowatt-hour (kWh) Charge: 0.63¢ per kWh for all kWh I

Minimum Monthly Bill: The minimum monthly bill will be $3.83 per Kilowatt of Billing I
Demand previously established but not less than $19,150. I

Power Factor Adjustment: In the event the power factor at the time of establishment of any 15-minute period of maximum use during the month is less than 90%, the Kilowatts of Billing Demand shall be adjusted by multiplying the Kilowatts of Billing Demand by 90% and dividing the result by the actual power factor at the time of said maximum use, and the result so obtained shall be the Kilowatts of Billing Demand for the month.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

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INTERRUPTIBLE POWER SERVICE (IPS)

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N D

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month. The Kilowatts of Billing Demand will be subject to the Power Factor Adjustment clause.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service of other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

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INTERRUPTIBLE POWER SERVICE - CUSTOMER OWNED POWER (IPS-COP) T

APPLICABILITY

This schedule is available for Interruptible Power up to the size of Customer-owned and operated power production equipment or other sources of power not held primarily for emergency use.

Service will be supplied at one point of delivery at locations where facilities of adequate capacity and suitable phase and voltage are available. Service will be provided on the Company's standard Contract for Electric Service to Customers having a separate agreement for interconnection to Company's system stating these terms and conditions.

It is understood that electric service furnished hereunder is subject to interruption as set forth in the following conditions of service.

CONDITIONS OF SERVICE

The cost to the Company of providing any facilities necessary to connect the Customer's load to the system of the Company and to interrupt the Customer's load will be paid for by the Customer in accordance with the Company's approved Monthly Charge for Special or Additional Facilities.

The Company will interrupt at the Company's sole discretion the Customer's total load at the point of delivery. When required by the method of interconnection, the Customer will provide any necessary interrupting devices and a control circuit to a Company location that can be operated by Company supervisory control to interrupt Customer's load.

MONTHLY RATE

Kilowatt Charge:

	Secondary Service	Primary Service	Transmission Service	
Per Kilowatt of Billing Demand:	$3.21	$2.70	$2.55	I

Kilowatt-Hour Charge:

	Secondary	Primary	Transmission	
Per Kilowatt-hour:	.796¢	.608¢	.585¢	I

Kilovar Charge: The Kilovars of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the Customer during the 15-minute period of maximum kilovar use during the month. A charge of $0.38 per month shall be made for each Kilovar of I
Reactive Demand exceeding 50% of the Kilowatts of Billing Demand.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill T
will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34.

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INTERRUPTIBLE POWER SERVICE - CUSTOMER OWNED POWER (IPS-COP) T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month, but not less than the highest Kilowatts of Billing Demand established during the 11 preceding months.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service of other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's standard contract containing the Standard Terms and Conditions and will be recognized as an exemption to the Exclusive Service Clause of the Company's Standard Terms and Conditions.

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TEMPORARY SERVICE

Service furnished for loads that are of a temporary nature, such as construction power, asphalt batch plants, carnivals, temporary commercial and industrial establishments and others, will be billed on the applicable rate and the customer will pay the Company the cost of installation and removal labor and unsalvageable materials including overhead costs.

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SCHEDULE OF FEES AND CHARGES FOR MISCELLANEOUS SERVICES

Returned Check Fee – For handling, processing and collecting checks returned to company by banks	$25	I
Reconnect Fee – Restoration of service fee that had been disconnected for non-payment, after customer has paid total amount due is:		
During regular working hours	$26	I
Reconnect at pole or underground	$78	I
Broken Seal Fee – Meter enclosure seal breakage fee is charged each time a Troubleman is required to reseal meter enclosures due to seal removal and/or entry into meter enclosure	$59	I
Energy Diversion/Meter Tampering Fee – If customer connects meter previously cut-off by SWEPCO**.** Minimum charge for meter tampering:		
During regular working hours	$78	I
During other than regular working hours	$101	I
Connect Fee – Establish new, permanent electrical connection service to a customer if no construction is required. This fee would not be charged to customers that require a reading to establish electric service in their name based on a coordinated connect.		
Non-coordinated connect during regular working hours	$26	N
Non-coordinated connect during other than regular working hours	$60	I
Re-fusing Customer Circuits – Service charge for re-fusing customer's circuits	$ 45	I
Service Call Fee – Service charge where trouble is found to be in customer's equipment:		
During regular working hours	$87	N
During other than regular working hours	$112	I
Meter Test – The first test is without charge to the customer. The charge for a new test within four years from previous test is:		
Self-contained meter	$36	I
CT or other meter	$62	I
Translation and Non-Standard Reports – Billed each time the Company provides, at the customer's request, meter pulse translation and any non-standard reporting	$26	N
Facilities Relocation Fee – will be charged to a customer requesting the relocation of Company's facilities	Actual Cost of Labor and Materials Used	
Meter Data Pulse Fee – Billed each month for meter data pulses furnished at customer's request provided customer has paid company for costs associated with installing necessary equipment.	0.69% of the amount of customer contribution	I

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RATE APPLICATION FOR MUNICIPAL ACCOUNTS REQUIRING REDUNDANT SERVICE

Type of Service: Redundant service is defined as those facilities, including metering equipment, to provide electric power and energy from an alternate source to municipal accounts served by the Company that require such redundant service.

Company's Standby Service Schedule (S) does not apply to service furnished hereunder.

Rate Application: The kilowatt-hours used on meter for redundant service plus kilowatt-hours equal to the redundant transformer no load losses at 100% voltage shall be added to kilowatt-hours used on regular meter for billing on appropriate rate plus a charge computed according to one of the following Alternates:

ALTERNATE 1 For Total Company Investment to Provide Redundant Service

There will be a charge each month equal to 1.76% (21.12% per year) of the Company investment, which is to include metering cost, to provide redundant service. I

Company Investment = $_____ x 1.76% = $_____ per month I

ALTERNATE 2 For Customer Contribution of the Total Investment to Provide Redundant Service

There will be a charge each month equal to 0.69% (8.28% per year) of Customer's contribution of the total investment to provide redundant service. I

Customer Contribution = $____ x 0.69% = $____ per month I

ALTERNATE 3 For Customer Desiring to Make a Contribution in Aid of Construction Toward the Investment Required to Provide the Redundant Service

There will be a charge each month equal to 1.76% (21.12% per year) of the Company investment, which is to include metering cost, to provide I
redundant service plus a charge each month equal to 0.69% (8.28% per year) of I
Customer's contribution toward the investment required to provide the redundant service.

Company Investment = $_____ x 1.76% = $_____ I
Customer Contribution = $_____ x 0.69% = $_____ I

Total Per Month $ _____

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EMERGENCY MAINTENANCE SERVICE

AVAILABILITY

This service is available for emergency repair and/or maintenance services to electric facilities owned by the Customer. The Company can only provide this service in the event of an emergency as defined in PUCT Subst. R. 25.343(g), which states:

> *…an "emergency situation" means a situation in which there is a significant risk of harm to the health or safety of a person or damage to the environment. In determining whether to provide the competitive energy service in an emergency situation, the utility shall consider the following criteria:*
>
> *(A) whether the customer's facilities are impaired or are in jeopardy of failing, and the nature of the health, safety, or environmental hazard that might result from the impairment or failure of the facilities; and*
>
> *(B) whether the customer has been unable to procure, or is unable to procure within a reasonable time, the necessary transformation and protection equipment or the necessary transmission or substation repair services from a source other than the electric utility.*
>
> *(C) whether provision of the emergency service to the customer would interfere with the electric utility's ability to meet its system needs.*

APPLICABILITY

Prior to providing services under this tariff schedule, the Customer must deliver (delivery may be delivered via facsimile) to the Company a letter stating the nature of the emergency based on the criteria in (A) and (B) in Availability above. In addition, the letter must clearly acknowledge that the requested maintenance and/or repair service is a competitive energy service and that the utility is not permitted to provide the service unless it is an emergency situation. The Company will make a determination as to its willingness to provide the service based on the information provided in the letter and the Company's assessment as to (C) in Availability above.

CHARGES FOR EMERGENCY SERVICES

Charges for providing services under this tariff schedule will be based on the costs of the Company. The charges for labor will be the Company's fully loaded overtime labor rate per hour for all employees involved in providing the emergency service. All materials required to be provided by the Company will be charged at the most current invoice price plus all applicable overheads. Should the Company be required to lease or contract for special equipment to perform the services under this tariff schedule, the costs of those leases or contracts will be billed at invoice price plus applicable overheads, if any.

TERMS OF PAYMENT

The Company will bill the Customer for emergency service provided under this subsection. All charges invoiced by the Company will be due and payable to the Company within 16 days of the Company rendering the invoice.

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EMERGENCY MAINTENANCE SERVICE

TERMS AND CONDITIONS

The Customer understands that the Company has no obligation to provide services under this tariff schedule and that the Company has the right to deny the provision of service under this tariff schedule. The Customer also understands that it is the Customer's responsibility to provide the Company with a written statement describing the emergency situation, pursuant to the definition contained in (A) and (B) under Availability above, and indicating its awareness that the service provided by the Company is a competitive energy service. The Customer also understands that such written communication must be delivered to the Company prior to the work being performed.

It is the Customer's obligation to dispose of any customer-owned facilities removed by the Company in performing services under this schedule.

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FEE FOR ADVANCED METERING EQUIPMENT INSTALLATION AND /OR ACCESS TO METER DATA

This fee will be charged to a Retail Customer or the Retail Customer's authorized representative requesting advanced Metering or access to Meter data for the Retail Customer. All fees must be paid prior to the service being provided. An AGREEMENT AND TERMS AND CONDITIONS FOR PULSE METERING EQUIPMENT INSTALLATION (PMEI) must be fully executed with the Company prior to the Company granting access to data outputs from its Meter. AEP will provide access to pulses to those requesting such service as specified in the PMEI Agreement.

All requests for advanced Metering or access to Meter data outputs will be considered a request for a solid-state Meter containing an internal Interval Data Recorder (IDR) with a single channel recorder. A customer may request remote interrogation in addition to Meter data outputs provided under this tariff at the listed price. The equipment that will be provided by the Company to meet the Customer's request under this tariff will be limited to equipment from manufacturers commonly stocked and utilized by the Company.

The applicable Fixed Price listed will cover the costs for a typical installation. A typical installation includes the installation of a solid-state IDR Meter containing a single channel recorder and capable of providing a single channel of data, where no isolation relay is required, and the Retail Customer's point of interconnection to the data output circuits (if requested) is adjacent to the billing Meter enclosure. An isolation relay is not required unless the meter will be installed within a substation, or for other non-typical installations.

An installation that takes more time, labor, metering requirements, or materials than the typical installation will be considered a non-typical installation and the requesting party will be charged a fee for non-typical installations based on the estimated cost incurred by the Company to install the facilities necessary to provide the requested service. The Company will present the Customer with an invoice of the itemized estimated costs and the Customer must pay the invoice in advance of the work being performed.

The Retail Customer will be responsible for providing all electrical work normally associated with a new billing Meter installation as stated in the PMEI. The Company retains the right of priority access to the billing Meter and data from the billing Meter.

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Request for Advanced Metering for a Typical Installation:

Applicable where the existing standard Meter is to be replaced with, or where no billing Meter currently exists and the installed Meter will be, a solid-state IDR Meter containing a single channel recorder and capable of providing only one channel of data and the Retail Customer is not requesting direct access to the billing Meter. The Fixed Price includes the advanced Meter.

Fixed Price if the existing billing Meter is a standard Meter	$173.00
Fixed Price if new installation with no existing billing Meter	$100.00

Request for K-Y-Z Outputs Only for a Typical Installation:

Applicable for providing data utilizing a solid-state IDR Meter containing a single channel recorder and capable of providing only one channel of data, no isolation relay is required, and the Retail Customer's point of interconnection to the data output circuits is adjacent to the billing Meter enclosure. The Fixed Price includes the advanced Meter.

Fixed Price if the existing billing Meter is a standard Meter	$312.00
Fixed Price if existing Meter is already advanced Metering or for a new installation where no billing Meter currently exists	$234.00

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Request for Remote Meter Reading Access Only for a Typical Installation:

Applicable for providing remote Meter reading capability utilizing a solid-state IDR Meter containing an internal modem, a single channel recorder, and capable of providing only one channel of data, no isolation relay is required, and the Retail Customer's point of interconnection to the data output circuits is adjacent to the billing Meter enclosure. The Fixed Price includes the advanced Meter.

Fixed Price if existing billing Meter is a standard Meter	$488.00
Fixed Price if existing billing Meter is already advanced Metering or for a new installation where no billing Meter currently exists	$410.00

Request for Both K-Y-Z Outputs and Remote Meter Reading Access for a Typical Installation:

Applicable for providing both remote Meter reading capability and K-Y-Z outputs utilizing a solid-state IDR Meter containing an internal modem, a single channel recorder, and capable of providing only one channel of data, no isolation relay is required, and the Retail Customer's point of interconnection to the data output circuits is adjacent to the billing Meter enclosure. The Fixed Price includes the advanced Meter.

Fixed Price if the existing billing Meter is a standard Meter	$564.00
Fixed Price if existing Meter is already advanced Metering or for a new installation where no billing Meter currently exists	$486.00

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FEE FOR ADVANCED METERING EQUIPMENT INSTALLATION AND /OR ACCESS TO METER DATA

Non-Typical Installations of Solid-State Advanced Metering, Providing K-Y-Z Outputs, Remote Meter Reading, or Any Combination of These Services:	Estimated cost to perform the requested advanced Metering equipment installation, calculated in accordance with the Company's approved tariff as it pertains to the activities and materials required for each specific work request at then-current costs.

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SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS I

AVAILABILITY

This schedule is available for Supplementary, Backup, Maintenance and As-Available Standby Power to customers that own and operate power production equipment or other source of power not held primarily for emergency use and that have a separate agreement for interconnection to Company's system stating those terms and conditions.

Service will be supplied at one point of delivery at locations where facilities of adequate capacity and suitable phase and voltage are available. Service may be provided on the Company's standard Contract for Electric Service, containing the Standard Terms and Conditions, stating the rate applicable to Supplementary Power and Energy, the Supplementary Power Contract Demand, the Backup Power Contract Demand, the Maintenance Power Contract Demand and the As-Available Standby Power Contract Demand that the Company is obligated to provide. The rate applicable to Supplementary Power and all energy is limited to the Lighting and Power Service Rate (LP), secondary and primary service.

DEFINITIONS

Supplementary Power is electric capacity supplied by the Company, regularly used by a Customer in addition to that which the Customer's generation facility regularly generates. The Supplementary Power Billing Demand shall be determined in the Supplementary Power Charge section of this tariff.

Maintenance Power is electric capacity supplied by the Company during scheduled outages of the Customer's facility to replace capacity which is ordinarily generated by the Customer's own generation. This capacity when supplied during each of the months of October through May to Customers with total generating capacity of less than 5,000 KW shall be considered to be scheduled and approved by the Company as Maintenance Power until such time as the aggregate generation of all customer-owned sources of power which are connected to the Company exceed 1% of the Company's peak system load. Customers with total generation capacity of 5,000 KW or greater must obtain written Company approval at least seven days in advance for a scheduled outage during the months of October through May or the use of capacity will be considered to be Supplementary Power. Maintenance Power will be supplied at the sole discretion of the Company, provided the Company is reasonably certain that a system peak will not be created during this period and providing the Company, in its judgment, has adequate capacity in its own system to supply the requested demand. Maintenance Power will normally not be available during the months of June through September.

Maintenance Power Demand is the Kilowatts of Billing Demand that exceed the Supplementary Power Billing Demand during the period approved for maintenance power usage. If As-Available Standby Power has been requested during this period, then for billing purposes, the Maintenance Power Demand will be equal to the Maintenance Power Contract Demand.

Backup Power is electric capacity supplied by the Company during an unscheduled outage of the Customer's facility to replace capacity ordinarily provided by the Customer's own generation.

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS I

However, any capacity supplied by the Company during an unscheduled outage of the Customer's facility to replace that which is ordinarily provided by the Customer's own generation during the months of June through September shall be considered as Backup Power or As-Available Standby Power if approved by the Company. The Customer shall notify the Company's system dispatcher as soon as reasonably possible when requesting the initiation and termination of Backup Power. The Customer shall also provide written documentation to the Company within 24 hours or on the first working day following a weekend or holiday confirming the date and time of both the initiation and termination of Backup Power.

Backup Power Demand is the Kilowatts of Billing Demand that exceed the Supplementary Power Billing Demand during the period of Backup Power usage. If As-Available Standby Power has been requested during this period, then for billing purposes, the Backup Power Demand will be equal to the Backup Power Contract Demand.

Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month.

As-Available Standby Power is electric capacity supplied by the Company during a scheduled or unscheduled outage of the Customer's facility to replace capacity which is provided by the Customer's own generation. Customer may request As-Available Standby Power at any time subject to the conditions specified herein. However, the Customer must request and receive prior approval from Company each time As-Available Standby Power is required and must also notify the Company when As-Available Standby Power is to be discontinued.

When Customer experiences a forced outage of his power production facilities, Customer must request approval from Company's dispatcher for continued use of As-Available Standby Power after the forced outage has occurred and use of As-Available Power has begun. This provision for after-the-fact request and approval shall apply only if Customer has contacted the Company's system dispatcher for approval as soon as reasonably possible. All requests for and terminations of As-Available Standby Power shall be confirmed in writing to the Company by the Customer within 24 hours of the request or termination.

As-Available Standby Power will be available solely at the discretion of the Company. At the request of the Company, the Customer will cease use of As-Available Standby Power within ten (10) minutes after notification from the Company that approval for continued use of that As-Available Standby Power is denied. Use of As-Available Standby Power will be subject to immediate interruption for emergency system conditions.

As-Available Standby Power Demand is the kilowatts of capacity requested by the Customer. This capacity is in addition to any capacity associated with Supplementary, Backup, or Maintenance Power.

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MONTHLY RATE

The monthly billing shall be the sum of (I) the Supplementary Power Charge, plus (II) the Backup Power Charge, plus (III) the Maintenance Power Charge, plus (IV) the As-Available Standby Power Charge, plus (V) the Energy Charge.

I. SUPPLEMENTARY POWER CHARGE:

The Lighting and Power Service Rate, with modifications to the provisions for the Determination of Kilowatts of Billing Demand and the Power Factor Adjustment, as specified herein, will be applied to any and all electric capacity actually supplied by the Company during the month, except for any Maintenance Power Demand, any Backup Power Demand, and As-Available Standby Power Demand.

Determination of Supplementary Power Billing Demand

When neither Backup, Maintenance, nor As-Available Standby Power are being used, the Supplementary Power Billing Demand will be the Kilowatts of Billing Demand established by the Customer, subject to the Minimum Monthly Bill provisions specified in the Lighting and Power Service Rate. When Backup, Maintenance, or As-Available Standby Power is taken in conjunction with Supplementary Power, the Supplementary Power Billing Demand will be the greatest of:

A. Supplementary Power Contract Demand as specified in the Contract for Electric Service,

B. The Kilowatts of Billing Demand less the Backup Power Contract Demand when Backup Power is being used, less the Maintenance Power Contract Demand when Maintenance Power is being used, less the As-Available Standby Power Demand requested.

C. Supplementary Power Billing Demand of the current month or of the highest Supplementary Power Billing Demand of the previous eleven months.

II. BACKUP POWER CHARGE:

Company agrees to supply Backup Power up to but not exceeding the Backup Power Contract Demand. The Backup Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless the Customer can demonstrate a higher capability for its unit(s). The Backup Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company.

Monthly Rate For Backup Power:

The Monthly Rate for Backup Power will be the kilowatts of Backup Power Demand times 29.87¢ per KW per day for primary service or 38.42¢ per KW per day for secondary I
service but not less than six days per request for primary service or seven days per request for secondary service, plus a monthly rate of $1.79 per KW for primary or $2.67 per KW for I

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS I

secondary Backup Power Contract Demand in excess of the greater of either the Maintenance Power Demand or the Backup Power Demand furnished in the month.

III. MAINTENANCE POWER CHARGE:

The Company agrees to supply Maintenance Power up to but not exceeding the Maintenance Power Contract Demand. Maintenance Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless Customer can demonstrate a higher capability for its unit(s). The Maintenance Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company. Upon approval by the Company, Maintenance Power may be scheduled for three occurrences in a calendar year during the months of January through May and October through December for each of the Customer's generating unit(s) provided Customer provides the Company at least seven days prior notice of intent to perform maintenance. In the event maintenance exceeds the scheduled time period provided by the Customer and agreed to by the Company or exceeds a maximum of 60 days total per calendar year, unless it is agreed to extend Maintenance Power or supply Backup Power, by written request by the Customer and written consent of the Company, such excess use of capacity will be billed as Supplementary Power.

Monthly Rate For Maintenance Power

The Monthly Rate for Maintenance Power will be the kilowatts of Maintenance Power times 14.93¢ per KW per day for primary service or 19.26¢ per KW per day for secondary I
service but not less than twelve days per request for primary service or fourteen days per request for secondary service, plus a monthly rate of $0.90 per KW for primary or $1.34 I
per KW for secondary Maintenance Power Contract Demand in excess of the greater of either the Maintenance Power Demand furnished in the month or the Backup Power Contract Demand.

IV. AS-AVAILABLE STANDBY POWER CHARGE:

The Company agrees to supply As-Available Standby Power up to but not exceeding the As-Available Standby Power Contract Demand. The As-Available Standby Power Contract Demand shall not exceed the name plate rating of the Customer's generating unit(s) unless the Customer can demonstrate a higher capacity for its unit(s). The As-Available Standby Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company.

Monthly Rate for As-Available Power:

The monthly rate for As-Available Power will be the kilowatts of As-Available Standby Power Demand times $1.35 per KW for primary service or $1.75 per KW for secondary I
service.

V. ENERGY CHARGE:

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The monthly rate for all energy used during the month will be the kilowatt-hour charge as set forth in the Lighting and Power Service Rate.

VI. POWER FACTOR ADJUSTMENT - KILOVAR CHARGE:
The Kilovars of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the Customer during the 15-minute period of maximum kilovar use during the month. A charge of $0.38 per month shall be made for each Kilovar of Reactive Demand exceeding 50% of the Kilowatts of Billing Demand. I

TERMS AND CONDITIONS

Service provided under the terms of this tariff will be furnished under the Company's standard contract containing the Standard Terms and Conditions and will be recognized as an exemption to the Exclusive Service Clause of the Company's Standard Terms and Conditions.

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SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS II

AVAILABILITY

This schedule is available for Supplementary, Backup, Maintenance and As-Available Standby Power to customers that own and operate power production equipment or other source of power not held primarily for emergency use and that have a separate agreement for interconnection to Company's system stating those terms and conditions.

Service will be supplied at one point of delivery, along Company's existing transmission lines of 69 KV or higher at locations where facilities of adequate capacity and suitable phase and voltage are available. Service may be provided on the Company's standard Contract for Electric Service, containing the Standard Terms and Conditions, stating the rate applicable to Supplementary Power and Energy, the Supplementary Power Contract Demand, the Backup Power Contract Demand, the Maintenance Power Contract Demand and the As-Available Standby Power Contract Demand that the Company is obligated to provide. The rate applicable to Supplementary Power and all energy is limited to the Large Lighting and Power Service Rate (LLP), transmission service.

DEFINITIONS

Supplementary Power is electric capacity supplied by the Company, regularly used by a Customer in addition to that which the Customer's generation facility regularly generates. The Supplementary Power Billing Demand shall be determined in the Supplementary Power Charge section of this tariff.

Maintenance Power is electric capacity supplied by the Company during scheduled outages of the Customer's facility to replace capacity which is ordinarily generated by the Customer's own generation. This capacity when supplied during each of the months of October through May to Customers with total generating capacity of less than 5,000 KW shall be considered to be scheduled and approved by the Company as Maintenance Power until such time as the aggregate generation of all customer-owned sources of power which are connected to the Company exceed 1% of the Company's peak system load. Customers with total generation capacity of 5,000 KW or greater must obtain written Company approval at least seven days in advance for a scheduled outage during the months of October through May or the use of capacity will be considered to be Supplementary Power. Maintenance Power will be supplied at the sole discretion of the Company, provided the Company is reasonably certain that a system peak will not be created during this period and providing the Company, in its judgment, has adequate capacity in its own system to supply the requested demand. Maintenance Power will normally not be available during the months of June through September.

Maintenance Power Demand is the Kilowatts of Billing Demand that exceed the Supplementary Power Billing Demand during the period approved for maintenance power usage. If As-Available Standby Power has been requested during this period, then for billing purposes, the Maintenance Power Demand will be equal to the Maintenance Power Contract Demand.

Backup Power is electric capacity supplied by the Company during an unscheduled outage of the Customer's facility to replace capacity ordinarily provided by the Customer's own generation.

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS II

However, any capacity supplied by the Company during an unscheduled outage of the Customer's facility to replace that which is ordinarily provided by the Customer's own generation during the months of June through September shall be considered as Backup Power or As-Available Standby Power if approved by the Company. The Customer shall notify the Company's system dispatcher as soon as reasonably possible when requesting the initiation and termination of Backup Power. The Customer shall also provide written documentation to the Company within 24 hours or on the first working day following a weekend or holiday confirming the date and time of both the initiation and termination of Backup Power.

Backup Power Demand is the Kilowatts of Billing Demand that exceed the Supplementary Power Billing Demand during the period of Backup Power usage. If As-Available Standby Power has been requested during this period, then for billing purposes, the Backup Power Demand will be equal to the Backup Power Contract Demand.

Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month.

As-Available Standby Power is electric capacity supplied by the Company during a scheduled or unscheduled outage of the Customer's facility to replace capacity which is provided by the Customer's own generation. Customer may request As-Available Standby Power at any time subject to the conditions specified herein. However, the Customer must request and receive prior approval from Company each time As-Available Standby Power is required and must also notify the Company when As-Available Standby Power is to be discontinued. When Customer experiences a forced outage of his power production facilities, Customer must request approval from Company's dispatcher for continued use of As-Available Standby Power after the forced outage has occurred and use of As-Available Power has begun. This provision for after-the-fact request and approval shall apply only if Customer has contacted the Company's system dispatcher for approval as soon as reasonably possible. All requests for and terminations of As-Available Standby Power shall be confirmed in writing to the Company by the Customer within 24 hours of the request or termination.

As-Available Standby Power will be available solely at the discretion of the Company. At the request of the Company, the Customer will cease use of As-Available Standby Power within ten (10) minutes after notification from the Company that approval for continued use of that As-Available Standby Power is denied. Use of As-Available Standby Power will be subject to immediate interruption for emergency system conditions.

As-Available Standby Power Demand is the kilowatts of capacity requested by the Customer. This capacity is in addition to any capacity associated with Supplementary, Backup, or Maintenance Power.

MONTHLY RATE

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The monthly billing shall be the sum of (I) the Supplementary Power Charge, plus (II) the Backup Power Charge, plus (III) the Maintenance Power Charge, plus (IV) the As-Available Standby Power Charge, plus (V) the Energy Charge.

I. SUPPLEMENTARY POWER CHARGE:

The Large Lighting and Power rate, with modifications to the provisions for the Determination of Kilowatts of Billing Demand and the Power Factor Adjustment, as specified herein, will be applied to any and all electric capacity actually supplied by the Company during the month, except for any Maintenance Power Demand, any Backup Power Demand, and As-Available Standby Power Demand.

Determination of Supplementary Power Billing Demand

When neither Backup, Maintenance, nor As-Available Standby Power are being used, the Supplementary Power Billing Demand will be the Kilowatts of Billing Demand established by the Customer, subject to the Kilowatts of Billing Demand provisions specified in the Large Lighting and Power Rate. When Backup, Maintenance, or As-Available Standby Power is taken in conjunction with Supplementary Power, the Supplementary Power Billing Demand will be the greatest of:

A. Supplementary Power Contract Demand as specified in the Contract for Electric Service,

B. The Kilowatts of Billing Demand less the Backup Power Contract Demand when Backup Power is being used, less the Maintenance Power Contract Demand when Maintenance Power is being used, less the As-Available Standby Power Demand requested,

C. Supplementary Power Billing Demand of the current or 80% of the highest Supplementary Power Billing Demand of the previous eleven months.

II. BACKUP POWER CHARGE:

Company agrees to supply Backup Power up to but not exceeding the Backup Power Contract Demand. The Backup Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless the Customer can demonstrate a higher capability for its unit(s). The Backup Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company.

Monthly Rate For Backup Power

The Monthly Rate for Backup Power will be the kilowatts of Backup Power Demand times 27¢ per KW per day but not less than four days per request, plus a monthly rate of $1.07 per kilowatt of Backup Power Contract Demand in excess of the greater of either the Maintenance Power Demand or the Backup Power Demand furnished in the month. I

III. MAINTENANCE POWER CHARGE:

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The Company agrees to supply Maintenance Power up to but not exceeding the Maintenance Power Contract Demand. Maintenance Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless Customer can demonstrate a higher capability for its unit(s). The Maintenance Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company. Upon approval by the Company, Maintenance Power may be scheduled for three occurrences in a calendar year during the months of January through May and October through December for each of the Customer's generating unit(s) provided Customer provides the Company at least seven days prior notice of intent to perform maintenance. In the event maintenance exceeds the scheduled time period provided by the Customer and agreed to by the Company or exceeds a maximum of 60 days total per calendar year, unless it is agreed to extend Maintenance Power or supply Backup Power, by written request by the Customer and written consent of the Company, such excess use of capacity will be billed as Supplementary Power.

Monthly Rate For Maintenance Power

The Monthly Rate for Maintenance Power will be the kilowatts of Maintenance Power times 13¢ per KW per day but not less than eight days per request, plus a monthly rate of $0.54 per kilowatt of Maintenance Power Contract Demand in excess of the greater of either the Maintenance Power Demand furnished in the month or the Backup Power Contract Demand. I

IV. AS-AVAILABLE STANDBY POWER CHARGE:

The Company agrees to supply As-Available Standby Power up to but not exceeding the As-Available Standby Power Contract Demand. The As-Available Standby Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless the Customer can demonstrate a higher capacity for its unit(s). The As-Available Standby Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company.

Monthly Rate for As-Available Power

The monthly rate for As-Available Power will be the kilowatts of As-Available Standby Power Demand times $0.32 per KW. I

V. ENERGY CHARGE:

The monthly rate for all energy used during the month will be the kilowatt-hour charge as set forth in the Large Lighting and Power rate.

VI. POWER FACTOR ADJUSTMENT - KILOVAR CHARGE

The Kilovars of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the Customer during the 15-minute period of maximum kilovar use during the month. A charge of $0.38 per month shall be made for each Kilovar of Reactive Demand exceeding 50% of the Kilowatts of Billing Demand. I

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TERMS AND CONDITIONS

Service provided under the terms of this tariff will be furnished under the Company's standard contract containing the Standard Terms and Conditions and will be recognized as an exemption to the Exclusive Service Clause of the Company's Standard Terms and Conditions.

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AS-AVAILABLE STANDBY POWER SERVICE

AVAILABILITY

This schedule is available for As-Available Standby Power taken at one point of delivery for power which may be substituted for power generated by Customer-owned and operated power production equipment or other source of power not held primarily for emergency use. As-Available Standby Power may be used only during periods of scheduled outages for maintenance or to back-up the Customer's facilities during forced outages and may be taken in addition to service taken under Lighting and Power or Large Lighting and Power rates.

The Customer must provide on a monthly basis records demonstrating to the satisfaction of the Company that each days use of the As-Available Standby Power was required due to maintenance or forced outages of the Customer's power production facilities.

Service is available under this rate only if, in the Company's sole judgment, the utilization of such service is of such character that service can be denied, interrupted or discontinued at any time by Company without loss to Customer or damage to property or persons and without adversely affecting the public health, safety, and welfare.

As-Available Standby Power is available at one point of delivery only if existing facilities, including, but without limitation, transmission and distribution facilities are adequate or if adequate facilities can be built or rebuilt at Customer's expense to provide such service and if service to Customer will not, in Company's sole judgment, impair Company's ability to serve the requirements of its other customers at any time. Service will be provided on the Company's standard Contract for Electric Service to Customers that have a separate agreement for interconnection to Company's system stating these terms and conditions.

CONDITIONS OF SERVICE

Customer may request As-Available Standby Power at any time subject to the conditions specified herein. However, the Customer must request and receive prior approval from Company each time As-Available Standby Power is required and must also notify the Company when As-Available Standby Power is to be discontinued. When Customer experiences a force outage of his power production facilities, Customer may request approval from Company's dispatcher for continued use of As-Available Standby Power after the forced outage has occurred and use of As-Available Standby Power has begun. This provision for after-the-fact request and approval shall apply only if Customer has contacted the Company's system dispatcher for approval as soon as reasonably possible. All requests for and terminations of As-Available Standby Power shall be confirmed in writing to the Company by the Customer within 24 hours of the request or termination.

In the event that Company is unable to grant approval for continued use of As-Available Standby Power, Customer will cease such use of As-Available Standby Power within ten (10) minutes after notification from the Company that approval for continued use of that As-Available Standby Power is denied.

Company may require a switching arrangement, to be provided and maintained at Customer's expense, such that intentional interruptions will be under Company's sole control. If, in the

AS-AVAILABLE STANDBY POWER SERVICE

Company's judgment, Customer has adequate personnel and facilities, Company may elect to give notice of interruption by telephone, allowing Customer's personnel to carry out an interruption procedure subject to approval by Company.

The cost to the Company of providing any facilities necessary to connect the Customer's load to the system of the Company and to interrupt the Customer's load will be paid for by the Customer in accordance with the Company's approved Monthly Charge for Special or Additional Facilities.

The Kilowatts of As-Available Standby Power the Customer desires will be specified in Company's standard Contract for Electric Service and will be limited to the design capacity of the Customer's power production facilities. Customer shall not have the right to increase its As-Available Standby Power except to the extent that Company has consented in writing to Customer's written request to increase such load within a specified time under terms of the Agreement as supplemented herein.

Company will provide, at the Customer's expense, additional metering equipment on the service and/or the Customer's generating source as determined by Company to be necessary, to provide service under this rate.

Company may, at its option, require Customer to install at Customer's expense a device to limit the amount of power to be supplied by Company; such device to be approved, sealed and controlled by Company.

MONTHLY RATE
The monthly payment for Customer's electrical service requirements will be the sum of A and B below:

Charges for any power used in addition to As-Available Standby Power will be computed in accordance with all provisions of the Rate Schedule(s) specified in the Contract for Electric Service with modification to the Power Factor Adjustment Provision. Such charges and provisions are applicable to the total metered kWh and KW including that portion of Customer's load for which As-Available Standby Power is provided, whether metered separately or in combination with other load through the same meter, except as follows:

(1.) During periods when Company provides As-Available Standby Power in accordance with the provisions of this rate, the KW to be used for billing determinations shall be based on Customers' 15-minute period of maximum use minus the Kilowatts of As-Available Standby Power requested.

(2.) The kWh to be used for billing determinations shall be the metered kWh minus the sum of each request for the As-Available Standby Power KW requested times the number of hours associated with each request.

SOUTHWESTERN ELECTRIC POWER COMPANY

Tariff Manual - Public Utility Commission of Texas

Section Title: Rates, Charges, and Fees
Section No: IV
Applicable: All Areas
Docket No: 37364

Sheet No: IV-46
Effective Date:
Revision 1
Page 3 of 4

AS-AVAILABLE STANDBY POWER SERVICE

B. Charges of As-Available Standby Power will be computed as follows:

Customer Charge:
A Customer Charge in the amount of $54.87 per month to defray Company's cost of accounting, meter reading, bill preparation, etc. I

Kilowatt Charge:

Per Kilowatt of As-Available Standby Power Requested	Secondary Service	Primary Service	Transmission Service	
	$1.75	$1.35	$0.32	I

Kilowatt-Hour Charge:
Per kilowatt-hour for the sum of each request for As-Available Standby Power requested times the number of hours associated with each request:

Secondary Service	Primary Service	Transmission Service	
.634¢	.611¢	.586¢	I

Kilovar Charge:
The Kilovars of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the Customer during the 15-minute period of maximum kilovar use during the month. A charge of $0.38 per month shall be made for each Kilovar of Reactive Demand exceeding 50% of the Kilowatts of Billing Demand.

Fuel Cost Component Of Monthly Rates: T
In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, PUCT Sheet IV-34.

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Capacity Charge for Highly Fluctuating Loads:
Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service of other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total

AS-AVAILABLE STANDBY POWER SERVICE

monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under the Company's standard contract containing the Standard Terms and Conditions and will be recognized as an exemption to the Exclusive Service Clause of the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

STANDBY SERVICE SCHEDULE (S)

APPLICABILITY

This schedule is applicable in conjunction with the Company's standard Contract for Electric Service for a period of not less than twelve consecutive months to all electric power and energy supplied by the Company to a Customer using the Company's service as a standby, reserve, or alternate source of supply in connection with the Customer's privately owned plant or other source of supply.

MONTHLY RATE

Standby Charge:

Service:	Secondary	Primary	Transmission		
	$6.98	$6.65	$6.29	per month per kilowatt or fraction thereof, based upon	I

(a) the number of kilowatts the Company is so obligated to stand ready to supply; or
(b) the number of Kilowatts of Billing Demand, whichever is greater.

Kilowatt-hour (kWh)Charge: 0.25¢ per kWh I

Minimum Monthly Bill: The minimum monthly bill shall be the Standby Charge.

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15 minute period of maximum use during the month, but not less than the Kilowatts of Billing Demand established during any preceding month. The Kilowatts of Billing Demand will be subject to the Power Factor Adjustment Clause.

The Company agrees to stand ready to supply the Customer at all times during the life of this contract electric service up to the amount specified in the contract or if the contract provides for a monthly minimum demand, then not less than the number of kilowatts constituting such monthly minimum demand.

If at any time during the life of this contract, the Customer should notify the Company in writing that he desires to have the Company supply electric service in excess of the amount stated in the contract, and the Company agrees to do so, the Company will thereafter stand ready to supply such Company increased amount.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

STANDBY SERVICE SCHEDULE (S)

POWER FACTOR ADJUSTMENT
The Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's Kilowatts of Billing Demand will be adjusted by multiplying the Kilowatts of Billing Demand by 90% and dividing by the average lagging power factor.

GENERAL TERMS
When required by the Company, the Customer will at his own expense furnish, install and connect a suitable circuit breaker, which will be under the control and regulation of the Company and of a character approved by the Company, and which will be set to break the connection with the Company's service in case the Customer's demand should at any time exceed the number of kilowatts, at 90% power factor, which the Company is then obliged to stand ready to supply hereunder. The Customer will not in any way interfere with the adjustment or operation of such circuit breaker. When required by the Company, the Customer will at his own expense also furnish and install a locked steel box to contain such circuit breaker.

If at any time while the Customer is using the Company's electric service hereunder his demand should be so great as to cause the circuit breaker to open the circuit, the Company will renew the connection upon due notice and upon receiving satisfactory assurance that the

Customer’s demand will be reduced to an amount not to exceed the number of kilowatts the Company is then obliged to stand ready to supply hereunder.

The Customer will not at any instant operate his source of supply in conjunction with the Company's service and will, in any event, reimburse the Company for any loss or damage sustained by the Company by reason of his use of Company's service hereunder.

In case of a conflict between any provision of this schedule and Company's contract for electric service, the provision of this schedule shall apply.

Service under this schedule is special and the Company shall not be obligated to furnish such service unless it has, in its judgment, sufficient capacity available in generation, transmission, and transformation equipment for such service.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kwh provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N
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PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly

STANDBY SERVICE SCHEDULE (S)

bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

AVAILABILITY

This Qualified Facility Non-Firm Power Purchase Schedule (Option A) is only available as part of a contract between the Company and a QF and shall apply to purchases by the Company at Company's transmission, primary or secondary voltage levels for energy generated by qualified small power production and cogeneration facilities with a combined design capacity of more than 100 KW but not in excess of 5,000 KW. QF's electrical requirements supplied by the Company shall be separately metered and billed in accordance with the applicable rate schedules. The rules under which small power production and cogeneration facilities can obtain qualifying status are defined by Subchapter K, part 292, Subpart B of the final rules issued by the Federal Energy Regulatory Commission to implement Section 201 & 210 of the Public Utility Regulatory Policies Act of 1978.

PAYMENT SCHEDULE

The payment shall be determined in accordance with (I) and (II) below.

(I.) RATE

(A) Monthly QF Charge (Payable by QF)
The QF will pay a Monthly QF Charge covering such items as customer accounting expenses, administrative expenses, and general expenses incurred in servicing the QF in accordance with contract terms. The charge will be $70 per month and may be adjusted by the Company with approval of the Commission to reflect changes in actual costs.

(B) Monthly Kilowatt-Hour (KWH) Payment (Payment by Company)
Payment to the QF for energy delivered in Company's system with adjustment as provided in (II) will be determined as follows:

(1) Company will meter the KWHs delivered by the QF into the Company's system and will adjust the metered KWHs by the loss adjustment specified by the contract to determine the adjusted KWHs to be used for determining payments.

(2) Company will pay for the adjusted KWHs at ninety-nine percent (99%) of the estimated Weighted Average Cost of Gas (WACOG) utilized in the Company's generating plants.

(3) Company will pay the variable operating and maintenance expense of $0.00026 per kilowatt-hour for the adjusted kilowatt-hours.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

(II.) ADJUSTMENTS

(A) A correction adjustment will be made in the current month's payment to reflect the difference between ninety-nine percent (99%) of the Company's estimated and ninety-nine percent (99%) of the actual WACOG utilized in the Company's generating plants during prior months. The actual WACOG will be determined using the sum of the kilowatt-hours generated at SWEPCO's gas-fired plants and the corresponding cost of gas as reported in the Monthly Fuel Efficiency Reports filed by the Company with the Public Utility Commission of Texas. The WACOG will be determined by dividing the total purchased cost of gas by the total kilowatt-hours produced by such gas; the "total purchased cost of gas" and the "total kilowatt-hours produced by such gas" for the monthly calculation should be calculated as the sum of the relevant data from the Monthly Fuel Efficiency Reports as follows:

For the first twelve monthly billing periods following the billing period during which the Commission issued its order for approving this tariff in Docket No. 9655:	Current month plus three prior months
During the next twelve monthly billing periods following the billing period during which the Commission issued its order approving this tariff in Docket No. 9655:	Current month, plus four prior months
Thereafter:	Current month, plus five prior months

Prior period adjustments contained in the Company's Monthly Fuel Efficiency Reports which are attributable to a settlement or judgment in Cause No. 56-91 in the 276th Judicial District Court in Marion County, Texas, styled Southwestern Electric Power Company vs. Delhi Gas Pipeline Corporation shall not be considered a part of the "total purchased cost of gas" for the purpose of performing the monthly calculation of the WACOG.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

During a month in which the Company's WACOG, as calculated above, is zero because no cost of gas is reported in the Monthly Fuel Efficiency Reports for the entire averaging period then in effect (4, 5 or 6 months) the payment to qualifying facilities should be based upon the kilowatt-hours generated at SWEPCO's coal-fired plants and the corresponding cost of coal, as reported by the Company in the Monthly Fuel Efficiency Report filed with the Public Utility Commission of Texas for the applicable averaging period then in effect (4, 5 or 6 months).

(B) When the QF does not contract to purchase power, and equipment is installed to prevent such purchase, the current month's payment will be reduced for any inadvertent consumption due to relaying time delay.

(C) Only when a QF does not have a contract for Supplementary, Standby and Maintenance, As-Available Standby or Interruptible Power Service, the QF will pay $0.35 per Kilovar of Reactive Demand delivered into the QF's system. The Kilovar of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the QF during the 15-minute period of maximum kilovar use during the month.

BILLING

The Company shall send a statement and payment to the QF on or before the 20th day after the QF's meter is read. The statement will show the total kilowatt-hours, if any, delivered to the Company during the period, customer charges payable to the Company, and total amount due.

Payments for service will be monthly, unless otherwise specified. The term "month" for payment purposes will mean the period between any two consecutive readings of the meters by the Company, such readings to be taken as nearly as practical every 30 days.

NUMBER OF INTERCONNECTIONS

There shall be only one point of interconnection under each contract.

TERMS AND CONDITIONS

The attached TERMS AND CONDITIONS FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION are applicable to each contract.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

AVAILABILITY

The Qualified Facility Non-Firm Power Purchase Schedule is only available as part of a contract between the Company and a QF and shall apply to purchases by the Company at Company's transmission, primary or secondary voltage levels for energy generated by qualified small power production and cogeneration facilities with a design capacity of more than 100 KW. Effective May 29, 2008 this schedule will be closed to new purchase obligations or contracts with QF's with a net capacity in excess of 20,000 kW. QF's electrical requirements supplied by the Company shall be separately metered and billed in accordance with the applicable rate schedules. The rules under which small power production and cogeneration facilities can obtain qualifying status are defined by Subchapter K, Part 292, Subpart B of the final rules issued by the Federal Energy Regulatory Commission to implement Section 201 & 210 of the Public Utility Regulatory Policies Act of 1978.

PAYMENT SCHEDULE

The payment shall be determined in accordance with Attachment A, "A Description of Avoided Energy Cost Calculation for Non-Firm Energy on the SWEPCO system."

ADJUSTMENTS:

(1) When the QF does not contract to purchase power, and equipment is installed to prevent such purchase, the current month's payment will be reduced for any inadvertent consumption due to relaying time delay.

(2) Only when a QF does not have a contract for Supplementary, Standby and Maintenance, As-Available Standby or Interruptible Power Service, the QF will pay $0.35 per Kilovar of Reactive Demand delivered into the QF's system. The Kilovar of reactive Demand will be recorded each month by the Company and will be the average kilovars used by the QF during the 15-minute period of maximum kilovar use during the month.

BILLING

The Company shall send a statement and payment to the QF on or before the 20th day after the QF's meter is read. The statement will show the total kilowatt-hours, if any, delivered to the Company during the period, customer charges payable to the Company and total amount due. Payments for service will be monthly, unless otherwise specified. The term "month" for payment purposes will mean the period between any two consecutive readings of the meters by the Company, such readings to be taken as nearly as practical every 30 days.

NUMBER OF INTERCONNECITONS

There shall be only one point of interconnection under each contract.

SOUTHWESTERN ELECTRIC POWER COMPANY

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

TERMS AND CONDITIONS

The attached TERMS AND CONDITIONS FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION are applicable to each contract.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

ATTACHMENT A

SOUTHWESTERN ELECTRIC POWER COMPANY

A DESCRIPTION OF
AVOIDED ENERGY COST CALCULATION
FOR NON-FIRM ENERGY
ON THE SWEPCO SYSTEM

SOUTHWESTERN ELECTRIC POWER COMPANY

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

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Method of Calculating the Payments to Individual QFs at Various Output Levels	VII.

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QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

I. EXECUTIVE SUMMARY

A. INPUTS TO THE CALCULATIONS

SWEPCO's avoided cost for non-firm energy is calculated on an hour-by-hour basis. This calculation takes into consideration the following for the SWEPCO System and the other AEP West Operating Companies: T

1. Total load and generation during each clock hour.
2. The contribution to total production cost from each generating unit.
3. The efficiency curves (incremental heat rate and input/output) for each generator.
4. The cost of incremental or decremental fuel (or "swing" fuel) for each generator.
5. Constraints on the minimum or maximum output of each generator.
6. Transmission Loss Penalty Factors (when appropriate) for each unit.
7. Transmission system limitations and the associated requirement of must run generators.
8. Change in interchange between AEP West affiliates. T
9. The total QF generated energy (QF Block Size) on the SWEPCO System which will be determined from telemetered or verbal communication to the generation dispatch office. T
10. The location and size of each QF generator supplying energy to the SWEPCO system.
11. Variation in SWEPCO transmission and distribution system losses due to the QF supplying energy to the SWEPCO system.
12. Variable O&M costs on the SWEPCO system which are based on The Federal Energy Regulatory Commission (FERC) system of accounts.
13. Start-up cost for each SWEPCO generating unit.

B. COMPUTATON OF AVOIDED FUEL COST

AEP Service Corporation (AEPSC) performs an economic dispatch which determines the amounts of generation and interchange for each Operating Company to satisfy the total AEP West System requirements. Following the real-time dispatch, AEPSC performs several reconstruction dispatches T

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

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to determine the participation of each AEP West Operating Company in both Off-System (non-AEP West) and On-System (within AEP West) energy transactions. AEPSC also performs the avoided cost calculation for non-firm QF generated energy delivered into the system..

Production costs are calculated for each hour with and without the QF generated energy considered available. The effect of QF generated energy not being available would produce the requirement for a corresponding change in SWEPCO's generation and a change in interchange. T

SWEPCO's total cost difference, consisting of a change in SWEPCO's production cost and the change in interchange cost for each hour, (with and without QF generated energy) is divided by the MW hour of QF Block Size for each hour in the day to determine an avoided cost in dollars per MWH.

Section V provides additional information on this computation.

C. COMPUTATION OF LOSS EFFECT

A loss factor accounts for the variation in transmission and distribution system losses attributable to the presence of QF generated energy (Item ll above). This calculation takes into consideration Item 10 listed hereinabove. T

Section VI describes this computation.

D. COMPUTATION OF O&M AND TABULATION OF METERING

The information provided in Parts 12 and 2 above are merged with the QFs' metered information, which is the hour by hour QF generated energy delivered into SWEPCO's system. The variable O&M (Item 12 listed hereinabove) is added to the hourly avoided cost. T

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Section VII describes this procedure.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

II. PAYMENT FOR PURCHASED ENERGY

SWEPCO will pay the QF for energy received from the QF at a rate equal to SWEPCO's adjusted avoided energy cost (A.A.E.C.) which is described as follows:

Adjusted Avoided Energy Costs

SWEPCO will determine, with a high degree of accuracy, Avoided Energy Costs (A.E.C.) for a predetermined block of energy. The A.E.C. will be equal to the costs of energy generated or purchased that SWEPCO did not incur as a result of that energy source being furnished by the QF. All QF's will be considered as one block of energy. Using this method, SWEPCO will purchase energy from QF's facilities using the following formula. T

A.A.E.C. = .99 x (A.E.C.)
where
A.A.E.C. = Adjusted avoided energy costs
A.E.C. = Avoided energy cost (mills per KWH)

Payment to the QF for each clock hour will equal the KWH delivered to SWEPCO in such hour multiplied by the A.A.E.C. for such hour. The total dollar payment to the QF will be the summation of the hourly payments for hours in the payment period. The avoided energy costs will be determined from actual operations described above. If the QF requests in writing and within six months of payment period, SWEPCO shall make available supporting documents from which calculations were made.

Payments for purchased energy will be made by SWEPCO within twenty (20) days after issuance of SWEPCO's monthly bill to the QF. Payment will be delivered by deposit in U.S. Mail First Class and addressed as previously designated by the QF in writing.

There will be no payment for capacity associated with such purchased energy.

QF will pay a five hundred dollar ($500) monthly charge to SWEPCO to compensate for the computation and billing of the A.A.E.C. This charge will be payable with the monthly statement to the QF regardless of whether SWEPCO has purchased electricity from the QF during such billing period.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

In the event the PUCT enters an order authorizing SWEPCO to make any change in the administrative costs which SWEPCO is now recovering from QFs in accordance with

Substantive Rule 23.66 (g) (2) (E) such change shall be automatically implemented as a part of this contract effective as of the date of such order.

This Exhibit is subject to all laws and governmental regulations.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

III. AN EXPLANATION OF A TYPICAL UTILITY ECONOMIC DISPATCH

Utilities experience an hourly varying generation requirement which is brought about because of load changes and energy schedules with other companies. Generators are brought on-line to meet the utility's generation requirements. Utilities dispatch these generators within system constraints to optimize the cost of energy production. The utility's economic dispatch computer program typically takes the following inputs into consideration:

(1) Each unit's fuel use curve which relates fuel used to level of loading. T

(2) The cost of the incremental fuel being supplied to the unit.

(3) The computer calculates an equivalent set of incremental costs for every unit that is on line. Some units may be required to operate at other than optimum levels because of unit and system constraints. Theoretically, barring all constraints and taking into consideration increases or decreases in transmission system losses, all units would be operating at the same value along their incremental cost curve. T

SOUTHWESTERN ELECTRIC POWER COMPANY

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

IV. DEFINITION OF TERMS

Apparent Load: SWEPCO/s generation less SWEPCO's interchange. A positive interchange level indicates SWEPCO is exporting power. A negative interchange level indicates SWEPCO is importing power.

BTU's: British Thermal Units as used in this document is a messier of the heating value of fuels, e.g. natural gas, and is expressed in the Higher Heating Value (HHV). The HHV includes the heat required to vaporize the surface moisture, the water of crystallization, and that formed through the combustion of the hydrogen in the fuel which produces water vapor when the fuel is burned.

QF Block Size: SWEPCO represents all non-firm QF generated energy together. Thus all non-firm QF generated energy is considered as on block of energy.

Control Area: SWEPCO controls the power flow with other electric utility companies over the electrical boundary of its transmission network. This is accomplished by telemetering the power flow over the transmission ties with other companies and adjusting the generators output to correspond to the desired Energy Schedule (see Energy Schedule).

Economy Energy: Economy Energy is energy that SWEPCO purchases from other utilities at a lesser cost than that at which SWEPCO can generate the equivalent energy or sells to another utility at a higher cost than the cost of SWEPCO's generation. Economy Energy is not firm energy and the purchase and selling of such energy can be terminated at any time. Internal Economy Energy is Economy Energy purchased from or sold to another AEP West company. T

Energy Schedule: That energy agreed to be delivered from one control area to another and entered into the control computer's scheduling function for both the sender and receiver.

SPP: Southwest Power Pool is one of the North American Electric Reliability Council's regions. The purpose of this organization is to coordinate planning and operation among member utilities perform functions of a Regional Transmission Organization (RTO), and operating a real-time energy imbalance market. T

Generator Available Status: The state in which a unit is capable of providing service, whether or not it is actually in service, regardless of the capacity level that can be provided.

Generator Incremental Heat Rate Curve: Calculated from the generator input-output test results and reflects the change in fuel use for a small change in generation output at specific operating points.

Generator Input-Output Curve: The curve is derived from test data that is produced from operating the unit at a fixed power output and measuring the fuel used in BTU's. This curve may be represented T

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

as gross or net and is sometimes referred to as a Generator's I/O curve or fuel use curve. For purposes of computing avoided costs the net version is used. This curve is updated periodically.

Generator Gross Output: The power out of the generator disregarding the auxiliary load of the generator.

Generator Must Run Status: A generating unit which is being run independent of the economics involved. This may be necessary for reasons such as area voltage support, system security, fuel contracts, etc.

Generator Net Output: The power out of the generator after the generator auxiliary load has been subtracted.

General Priority List: A list which ranks generators based on the unit's fuel costs and operating efficiency.

Generator Start-up Costs: Initial cost of fuel required to introduce an available unit online. This is taken to be from the time the boiler burner is ignited unit the unit is able to serve load.

Generator Unavailable Status: The state in which a unit is not capable of operation because of external restrictions, testing, work being performed, or some adverse condition. The unavailable status persist until the unit is made available for operation either by being synchronized to the system or by being placed in the generator available status.

Generators Average Heat Rate Curve: This curve is calculated from fuel use test data and reflects operating the unit at a fixed power output and measuring the fuel used in BTU's/KWH. This curve may be represented as gross or net. This curve is updated periodically. T

Incremental Fuel: The fuel supply at a given power plant or generator that would be expected to change in volume of flow to the generator with a change in generator output. This is also referred to as "swing" fuel.

Load Flow Program: A computer program that utilizes a mathematical model of SWEPCO's generators and electrical transmission system. The output of this program produces a representation of the power flowing over transmission lines and the resulting transmission losses.

NERC: The North American Electric Reliability Council (NERC) directs its efforts to promoting the reliability and adequacy of bulk power supply of the electric utility systems in North America. NERC consists of nine regional councils and one affiliate whose members comprise essentially all of the electric bulk power supply systems in the United States and the seven border provinces of Canada.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

Production Requirement: The amount of generation that is required to meet the load demand plus interchange with other utilities. A positive interchange level indicates SWEPCO is exporting power. A negative interchange level indicates SWEPCO is importing power.

Operating Reserve Obligation: SWEPCO is obligated to maintain a minimum operating reserve requirement as dictated by the SPP Guideline #2.

Transmission (and Distribution) System Losses: Whenever current flows through a conductor, losses result due to the relationship: I2R=Lost electrical power, where I is current and R is resistance. Integrating this over time results in lost electrical energy. A change in generation schedules will usually result in a change in losses because of increases and decreases in current on transmission and distribution lines in the electrical system. SWEPCO uses a load flow computer program to determine the effect of system loss from variations in generation schedules due to QF generation. SWEPCO also utilizes transmission loss penalty factors in the economic dispatch algorithm to minimize production cost including the effects of Transmission Losses during the actual dispatch of the system. T

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

V. SWEPCO'S AVOIDED PRODUCTION COST CALCULATION

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A. INTRODUCTION

SWEPCO experiences a continuously varying generation requirement which is brought about because of load variations and modifications to Energy Schedules with other affiliated and non-affiliated companies.

Basic principles and parameters used in the actual economic dispatch of the AEP West and SWEPCO systems are incorporated in the economic dispatch performed to calculate the non-firm avoided energy cost. This includes all unit and transmission constraints. These principles are summarized below: T

1. Each generating unit's incremental heat rate curve is used to establish loading or output of the unit under economic dispatch. T

2. Each generating unit's "swing" fuel cost used in the actual economic dispatch of the system is also used in the economic dispatch performed for the avoided cost calculation. T

3. Each generating unit's incremental heat rate characteristic is multiplied by its "swing" fuel cost to establish an incremental cost curve. A system is theoretically operating at an optimum economic dispatch when all of the units on the system are at the same incremental operating costs. In reality, constraints prevent all the units from being operated at the same incremental costs. T

4. The total generation production cost is determined by the sum of the products of "swing" fuel cost for each unit and the MMBTU's of fuel used to produce each generator's output. The MMBTU's used are determined from the Generator Input-Output Curve.

   T

   NOTE: MMBTU's = BTU x 10^6

B. METHODOLOGY OVERVIEW

An hourly re-dispatch of the system to simulate the average of actual conditions during the hour, including contributions from non-firm QFs, actual loads and actual off-system sales and purchases, is used as a base case for comparison purposes (New Level 5). The avoided cost for non-firm QF generated energy is determined by performing a re-dispatch with the exact conditions as the base case, except that the non-firm QF generated energy source is removed (Level 6). SWEPCO's total avoided cost is the avoided production cost for the SWEPCO unit increased generation, plus the avoided change in interchange cost (split savings basis) made available by the other AEP West Companies' changes in generation. The rate ($/MWH) for non-firm QF generated energy is

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

T

determined by dividing SWEPCO's total avoided cost ($) by the block size (MWH of QF generated energy).

The split savings cost of interchange is determined by adding the block rate for SWEPCO's increased generation (X) to the weighted average block rate for the other AEP West companies' change in generation (A+B+C) and dividing by two (2). In the event supplemental generation capability is unavailable from any SWEPCO source (X = O) above the dispatch of actual conditions (with QF base case), the SWEPCO avoided cost will consist entirely of avoided interchange purchase (no avoided production costs) which will be priced at the incurred fuel cost of the suppliers. Likewise, when A+B+C = O, the SWEPCO avoided cost will consist entirely of the SWEPCO avoided production cost. T

If QF generated energy on the SWEPCO system causes SWEPCO operational constraints, the avoided cost calculation may have to be modified to include credits to SWEPCO or revisions to the avoided cost basis. These constraints may include but are not limited to the following:

1. The amount of QF generated energy that SWEPCO must take hinders SWEPCO's ability to purchase Economy Energy from affiliate (AEP West) or non-affiliate (non-AEP West) companies. T

2. The base case involves uneconomic SWEPCO dispatch for reasons such as transmission constraints (due to QF concentration) or lowered non-regulating economic units (due to non-regulation of QFs).

C. UNIT RECOMMITMENT LOGIC

The commitment of additional generating unit(s) for the "without QF generation" Level 6 re-dispatch shall utilize the following principles:

1. Hour-by-Hour capacity check - no look ahead.
2. Minimum up time of 30 hours since the capacity was last needed.

3. Only units in the available "AVAIL" mode (refer to generator Available Status) are available for commitment and may be added according to the priority list.

4. All units on line in the calculations for a given hour in New Level 5 will be in on line in Level 6.

5. Add unit(s) if: Capacity - (Operating Reserve Obligation + Non-Firm QF generated power + Apparent Load + Firm Transactions) is less than 25 MW>

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

The recommitment program utilizes a priority list which ranks generating units by relative cost. The relative cost for each unit is determined by the net average heat rate of the generating unit at 80% of its full load capability, multiplied by its associated fuel cost. This priority list will be updated, as necessary, to reflect current operating conditions including but not limited to the following data: unit availability, fuel prices, generator efficiency, fuel contracts, and seasonal changes in unit full load capabilities.

A functional description of recommitment logic is as follows:

Counters associated with units not in available "AVAIL" mode are set to zero.

The economic high and low limits for the units brought on-line for Level 6 are set to the dependable capability and the MW coordinate for the first Incremental Heat Rate (IHR) point of the unit respectively.

SWEPCO New Level 5 capacity is calculated as the sum of the dependable capability of all on-line units.

The initial SWEPCO Level 6 capacity for a given hour is calculated as the sum of New Level 5 capacity and the dependable capability of all units with non-zero counters.

SWEPCO capacity requirement is calculated as SWEPCO's apparent load plus firm transactions plus spinning obligation plus cogeneration MWH output minus a given minimum deadband (25 MW).

1. If the capacity requirement is less than or equal to the New Level 5 capacity, the following procedure is followed:
   All SWEPCO units with counters greater than a given maximum number (30 hours) are turned off-line.

   For the SWEPCO units with counters greater than zero and less than or equal to the maximum number (30 hours), the counters are incremented by one.

2. If the generation requirement is greater than New Level 5 capacity the following procedure is followed:

   All SWEPCO units with counters greater than the maximum number (30 hours) are turned off-line and set to the available "AVAIL" mode.

   Next, all SWEPCO units with counters greater than zero and less than or equal to the maximum number (30 hours) are considered according to the priority list. If the dependable capability of the unit is required, the respective counter is reset to one: if not, the counter is incremented by one. In either case, the unit is on-line for Level 6 dispatch.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

Next, units in the available "AVAIL" mode are turned on-line according to the priority list as needed.

D. GENERATOR START-UP COSTS

Avoided generator starts attributed to on-line QF generated energy will be determined on an hourly basis. The MMBTU associated with a generator start will be calculated for each generating unit and will remain constant during a calendar month. A unit start-up cost is calculated as the product of the MMBTU and the current fuel price ($/MMBTU). Total generator avoided start-up cost dollars will be calculated for each hour and summed on a daily and monthly basis. The monthly total for avoided generator starts will be distributed over the kilowatt-hours of QF generated energy contribution for the month.

E. DATA COLLECTION AND STORAGE

Data collection and storage of operational and accounting data for historical reporting purposes is handled on the AEPSC Energy Settlement Systems. This system is structured to contain time dependent data and the software necessary to perform the following functions: T

1. Collection of data from the generation dispatch data base.

2. Storage, editing, and management of the data.

3. Report generation.

4. Processing of data input and output requests from the SWEPCO Avoided Cost Program and other cost reconstruction programs.

F. SWEPCO AVOIDED COST PROGRAM

The SWEPCO Avoided Cost Program is executed on demand. The program reads input data and writes the results to the data base. The program can be executed using either the historical or archive data base.

SOUTHWESTERN ELECTRIC POWER COMPANY

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

VI. METHODOLOGY TO ACCOUNT FOR THE IMPACT OF QFGENERATED ENERGY ON SWEPCO TRANSMISSION AND DISTRIBUTRION SYSTEM LOSSES

T

A. INTRODUCTION

In order to account for the QFs impact on SWEPCO transmission and distribution system losses, factors (or loss factors) are used to modify the SWEPCO system load requirement in the calculation of the QFs avoided costs. These factors are calculated annually and used for twelve months of operation. These factors vary depending upon the amount of megawatts the QFs are producing, and whether the system conditions are considered on-peak or off-peak as defined by NERC operation guidelines.* The factors are determined using load flow analyses to calculate the incremental losses in the SWEPCO system due to the presence of QF generated energy.

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T

*For the determination of losses, on-peak hours are from 0700 to 2200 hours (15 hours total) Monday through Saturday, all other hours are off-peak.

B. METHODOLOGY

The SPP annual load flow base cases are used as a starting point to develop load flows to calculate these factors. These load flows are developed annually by SPP and are intended to represent a summer peak, winter peak, and October off-peak load level. These load flows are defined as follows:

SUMMER PEAK: May, June, July, August, September, October

WINTER PEAK: January, February, March, April, November, December

OCTOBER OFF-PEAK: The average of that month's peak and minimum load used for all off-peak hours.

Diligent efforts are made to model the SWEPCO system which will be the most probable representation for the majority of the twelve months, unless a substantial difference in losses exists between actual system conditions and "Majority representation." For example, a unit may be down for most of the twelve months in which case the unit will not be on-line in the base case.
Treating all QFs together as a single block, the following cases will be developed annually for summer peak, winter peak and off-peak load levels.

1. A base case with no QF sales to SWEPCO.

2. A case with full output of all expected QFs on line during the season.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

3. Intermediate cases with approximately equal "steps" of QF generated energy will be run if the full output of all expected QFs is greater than 50 MW> These steps will not be greater than 50 MW. For each intermediate case, each QF will maintain the same proportional output to the total QF output as in the maximum QF case.

Should the maximum expected output of the QF block increase significantly at some point during the year, then an additional set of "cases" (1, 2, and 3) will be developed. T

C. SUMMARY

This methodology is a fair methodology both to SWEPCO customers and to the QFs since it determines full avoided cost as accurately as is possible. In the future, if large amounts of QF generated energy are added to the SWEPCO system or if locations of QF generation in the SWEPCO system vary greatly, this methodology will need to be reviewed and possibly modified.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

VII. METHOD OF CALCULATING THE PAYMENTS TO COGENERATORS AT VARIOUS OUTPUT LEVELS T

A. TABULATION OF METERING

The value of displaced system generation can vary significantly depending on the combined hourly MW input from QFs into SWEPCO's system. Since losses depend on the total amount of QF generated power, the change in system losses resulting from various levels of QF generated power is included in the calculation and loss factors are calculated in steps of 50 MW or less with peak and off-peak values.

The procedure used to calculate SWEPCO's system hourly avoided costs and prorate them among the active QFs is divided into three phases.

In the first phase, all active QFs are summed or totaled on an hourly basis to simulate a single QF or QF block size. This simulation is then used to determine the hourly QF level for establishing the appropriate avoided fuel costs and effect on system losses. For the purpose of this calculation, the totaled file is begun with the first full clock hour for which data is available from all QFs and stopped at the last full clock hour for which data is available from all QFs. Data for individual customers beyond the stop time is retained for next month's QF period.

In the event of a mechanical malfunction resulting in the loss of hourly data for a QF, the data shall be determined by hour based on the QF's own meter records or estimated from previous generation patterns.

B. INCLUSION OF LOSSES

The output from phase one is a data file containing the hourly net sales to SWEPCO by QFs identified as to whether an on-peak or off-peak hour, as defined by SPP, is used for determination of losses. The on-peak interval starts at 7:00 a.m. and ends at 10:00 p.m. Monday through Saturday. Sunday and all other hours are considered off-peak.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

C. INCLUSION OF O&M

Phase two merges the data file produced by phase one and a data file containing SWEPCO's avoided production cost and loss data for each incremental MW QF block by hour. Each hour of the QF period is coded for the incremental MW Block of QF generation and the calculation results in a single value in dollars per MWH for each hour including avoided production costs, variable O&M from the most recent FERC Form 1 report and an adjustment for change in system losses.

D. COMPUTE PAYMENTS

Phase three consists of pricing the MWH received from each individual QF using the hourly values produced in phase two. Also at this time, all summary reports for the QF period are printed.

PURCHASED POWER SERVICE (PPS)

AVAILABILITY

This rate shall apply to purchases by the Company of energy generated by qualified small power production and cogeneration facilities. Qualified Facility's (QF or Customer) electrical requirements supplied by the Company shall be separately metered and billed in accordance with the applicable rate schedule. The rules under which small power production and cogeneration facilities can obtain qualifying status are defined by Subchapter K, Part 292, Subpart B of the final rules issued by the Federal Energy Regulatory Commission to implement Section 201 and 210 of the Public Utility Regulatory Policies Act of 1978. The design capacity of the qualified facility must be 100 KW or less.

PAYMENT SCHEDULE

The payment shall be determined in accordance with (I) and (II) below.

(I) RATE

(A) QF Charge (Payable by QF)

(1) Each QF will pay any interconnection costs which are defined as the cost of connection, switching, metering, transmission, distribution, safety provisions, or any other costs directly related to the installation and maintenance of physical facilities necessary to permit interconnected operations with the QF, to the extent such costs are in excess of the corresponding costs that the electric utility would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources. Interconnection costs do not include any costs included in the calculation of avoided costs in Section (I)(B) nor will it include the additional expenses for time differentiating metering. The QF will make an initial payment to the Company for the interconnection cost for investment in facilities as determined above and in addition will pay the monthly charge for maintaining facilities currently at the filed rate of 0.57 percent of the interconnection cost for investment in facilities as determined above. The QF will prepay the estimated cost before Company construction begins.

PURCHASED POWER SERVICE (PPS)

(2) Monthly QF Charge (Payable by QF) - Each QF will pay a monthly QF Charge of $12.00. This charge is to cover such items as customer accounting expenses, administrative expenses, and general expenses incurred in servicing the QF.

(B) Monthly KWH Payment (Payment by Company)
Payment to the QF for energy delivered into Company's system with adjustment as provided in (II) will be determined as follows:

(1) Company will meter the KWHs delivered by the QF into the Company's system and will adjust the metered KWHs by the loss adjustment specified by the contract to determine the adjusted KWHs to be used for determining payments.

(2) Company will pay for the adjusted KWHs at ninety-nine percent (99%) of the estimated Weighted Average Cost of Gas (WACOG) utilized in the Company's generating plants.

(3) Company will pay the variable operating and maintenance expense of $.00026 per kilowatt-hour for the adjusted kilowatt-hours.

(C) Monthly KW Payment (Payment by Company)
If an aggregate capacity value can be reasonably estimated, a capacity payment shall be included in the standard rates provided there is an avoided capacity cost.

(II) ADJUSTMENTS

(A) A correction adjustment will be made in the current month's payment to reflect the difference between ninety-nine percent (99%) of the Company's estimated and ninety-nine percent (99%) of the actual WACOG utilized in the Company's generating plants during prior months. The actual WACOG will be determined utilizing the sum of the KWHs generated by gas and the corresponding cost of gas as reported in the Monthly Fuel Efficiency Report filed by the Company with the Public Utility Commission of Texas. The WACOG will be determined by dividing the purchase cost of gas by the total KWHs produced by such gas.

PURCHASED POWER SERVICE (PPS)

INTERCONNECTION

The qualified facilities have the following options for interconnection:

(A) parallel operation with interconnection through a single meter that measures net consumption;

(i) net consumption for a given billing period shall be billed in accordance with the standard tariff applicable to the customer class to which the user of the qualifying facility's output belongs;

(ii) net production will not be metered or purchased by the utility and therefore there will be no additional customer charge imposed on the qualifying facility;

(B) parallel operation with interconnection through two meters with one measuring net consumption and the other measuring net production;

(i) net consumption for a given billing period shall be billed in accordance with the standard tariff applicable to the customer class to which the user of the qualifying facility's output belongs;

(ii) net production for a given billing period shall be purchased at the standard rate set out in this tariff;

(C) interconnection through two meters with one measuring all consumption by the customer and the other measuring all production by the qualifying facility;

(i) all consumption by the customer for a given billing period shall be billed in accordance with the standard tariff applicable to the customer class to which the customer would belong in the absence of the qualifying facility;

(ii) all production by the qualifying facility for a given billing period shall be purchased at the standard rate set out in this tariff;

PURCHASED POWER SERVICE (PPS)

(D) qualifying facilities using renewable resources with an aggregate design capacity of 50 kilowatts or less have the option of interconnecting through a single meter that runs forward and backward;

(A) any consumption for a given billing period shall be billed in accordance with the standard tariff applicable to the customer class to which the user of the qualifying facility's output belongs;

(B) any production for a given billing period shall be purchased at the standard rate set out in this tariff.

BILLING

The Company shall send a statement to the QF on or before the 10th day after the QF's meter is read. The statement will show the kilowatt capacity, if any, and kilowatt-hours delivered to the Company during the period, QF charges payable to the Company, and total amount due. Payments for service will be rendered monthly, unless otherwise specified. The term "month" for payment purposes will mean the period between any two consecutive readings of the meters by the Company, such readings to be taken as nearly as practical every 30 days. The Company reserves the right to credit purchase of power against billings for electric service due and payable to the Company by the QF.

CONTRACT REQUIREMENTS

A Power Purchase Contract will be in effect for each service at each separate location. The Contract Period shall be negotiated between the QF and the Company. The Company's TERMS AND CONDITIONS FOR PURCHASE BY THE COMPANY OF ELECTRICITY APPLICABLE TO RATE SCHEDULE PURCHASED POWER SERVICE (PPS) are applicable to this rate schedule.

SUPPLEMENTARY POWER SERVICE

Supplementary power is electric energy or capacity used regularly by a facility in addition to that power which it ordinarily generates for its own use. QF's electrical requirements for supplementary power service will be supplied by the Company and shall be separately metered and billed in accordance with the applicable rate schedule and the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

Tariff Manual - Public Utility Commission of Texas

Section Title: Rates, Charges, and Fees
Section No: IV
Applicable: All Areas
Docket No: 37364

Sheet No: IV-50
Effective Date:
Revision 1
Page 1 of 1

STANDBY SERVICE
(AVAILABLE TO PURCHASED POWER SERVICE (PPS) CUSTOMERS)

Standby Service, sometimes called backup power, is electric energy or capacity available to replace energy normally generated by a facility during an unscheduled outage of the facility's generating equipment. Standby Service differs from supplementary power service in that Standby Service is required to replace service normally supplied by generation at the facility. A qualified facility may provide for its own standby service by installing additional generating facilities or purchasing Standby Service from the Company on the Standby Service rate.

This schedule is applicable in conjunction with and modifies the Company's standard rate schedules and is available with the Company's standard contract for electric service for a period of not less than twelve consecutive months for all electric power and energy supplied by Company to Customer using Company's service as a standby, reserve, or alternate source of supply in connection with Customer's privately owned plant.

Service under this schedule is only available to Purchased Power Service (PPS) customers and is subject to all provisions of the rate schedules to which it is used in conjunction with, except those provisions specifically modified herein.

NET MONTHLY RATE

Standby Charge: The applicable rate schedule Kilowatt Charge per month per kilowatt or fraction thereof shall be the greater of,

(a) The number of kilowatts the Company is so obligated to stand ready to supply; or

(b) The number of kilowatts constituting the greatest maximum demand established by the Customer to and including the current month.

Minimum Monthly Bill: The minimum monthly bill shall be the Standby Charge.

Maximum Demand:
The maximum demand will be measured and will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the current or any preceding month. Note: The kilowatts of billing demand will be subject to the Power Factor Adjustment Clause contained in the applicable rate schedule.

SOUTHWESTERN ELECTRIC POWER COMPANY

Tariff Manual - Public Utility Commission of Texas

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DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

Availability

This rider is available to Customers with generating installations consisting of one or more on-site generating units operating in parallel with the Company's system (Distributed Generation). Customers operating Qualifying Facilities as defined by PURPA or Customers with demands of 100 kW or less who wish to provide electric power to the Company under the terms of Section 4.13, Page 30, Purchased Power Service (PPS), do not qualify for service under this rider. This rider is solely for the purpose of interconnection of Distributed Generation and supplying standby, maintenance and/or supplemental power to such Customers. To qualify for this rider, no more than ten (10) MW of a facility's capacity will be interconnected at any point in time at the point of common coupling with Company's distribution system. This rider is in effect until January 1, 2002. Company shall interconnect Distributed Generation as described in PUC Substantive Rules §§25.211 and 25.212, (DG Rules) pursuant to the terms of the Agreement for Interconnection and Parallel Operation of Distributed Generation, incorporated herein. A demand meter may be required under this tariff. If the Company is required to make additions or modifications to Company's facilities in addition to those normally provided under standard tariffs, including the installation of a demand meter, the Customer is responsible for reimbursing the Company for the cost of such additions or modifications. The Fixed Fuel Factors, and the Purchase Power and Conservation factors will apply to this rider. This rider is not available in conjunction with any other riders. T

Application

A person seeking interconnection and parallel operation of Distributed Generation with Company's distribution system must complete and submit the Application for Interconnection and Parallel Operation of Distributed Generation with the Utility System, which is incorporated herein. All other provisions of the Standby Service Schedule will remain in effect.

Definitions

Non-Peak Hours and Peak Hours, Off-Peak Season and On-Peak Season, and On-Peak Periods and Off-Peak Periods are all defined in the appropriate rate schedules under which the Customer is taking power.

Pricing

Pricing for standby, maintenance and supplemental power will be in accordance with the Company's Standby Service Schedule, Section 4.02, and other applicable tariffs. All customers except residential service customers must have a demand meter.

The contract capacity for residential customers will be the manufacturer's nameplate rating of the generator. All electricity used over the power provided by the generator will be considered supplemental power, and billed according to the standard rate schedule.

Terms and Conditions of Service

The terms and conditions under which interconnection of Distributed Generation is to be provided are contained in the DG Rules, which are incorporated herein by reference, and in the Agreement for Interconnection and Parallel Operation of Distributed Generation, incorporated herein. The rules are subject to change from time to time as determined by the Commission, and such changes shall be automatically applicable hereto based upon the effective date of any Commission order or rule

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

amendment. The provisions and conditions of the Company's Standard Terms and Conditions and of the Standby Service Schedule will continue to be applied, unless specifically changed per this rider. Customers requesting service under this rider must also execute a Contract for Electric Service.

Studies and Services
Pre-interconnection studies may be required and conducted by Company. Other services may be provided as requested by the Customer and provided pursuant to negotiations and agreement by the Customer and Company and may be subject to approval by the Commission.

Pre-Interconnection Study Fee Schedule

	0-10 kW	10+ to 500 kW	500+ to 2000 kW	2000+ kW
Non Exporting				
1. Pre-certified, not on network	$0	$200	$400	$600
2. Not pre-certified, not on network	$100	$300	$540	$704
3. Pre-certified, on network	$100	$400	$1,000	$2,000
4. Not pre-certified, on network	$380	$865	$1,535	$2,432
Exporting				
1. Pre-certified, not on network	$75	$300	$1,000	$2,000
2. Not pre-certified, not on network	$150	$635	$1,205	$2,182
3. Pre-certified, on network	$160	$767	$2,377	$2,878
4. Not pre-certified, on network	$495	$1,246	$2,856	$3,357

No Pre-Interconnection Study Fees will be assessed for Distributed Generation units up to 500 kW that are pre-certified as defined pursuant to the DG Rules, that export no more than 15% of the total load on a single feeder and contribute no more than 25% of the maximum potential short circuit current on a single feeder.

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

Customers seeking to interconnect Distributed Generation with the utility system will complete and file with the Company the following Application for Parallel Operation:

APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION WITH THE UTILITY SYSTEM

Return Completed Application to:

American Electric Power
Attention: Distribution Asset Management
P. O. Box 21928
Tulsa, OK 74121-1928

Customer's Name: _____

Address: _____

Contact Person: _____

Telephone Number: _____

Service Point Address: _____

Information Prepared and Submitted By: _____

(Name and Address) _____

Signature _____

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

The following information shall be supplied by the Customer or Customer's designated representative. All applicable items must be accurately completed in order that the Customer's generating facilities may be effectively evaluated by the Southwestern Electric Power Company for interconnection with the utility system.

GENERATOR

Number of Units: _____

Manufacturer: _____

Type (Synchronous, Induction, or Inverter): _____

Fuel Source Type (Solar, Natural Gas, Wind, etc.): _____
Kilowatt Rating (95 F at location): _____
Kilovolt-Ampere Rating (95 F at location): _____

Power Factor: _____

Voltage Rating: _____

Ampere Rating: _____

Number of Phases: _____

Frequency: _____

Do you plan to export power: _____Yes / _____No

If Yes, maximum amount expected: _____

Pre-Certification Label or Type Number: _____

Expected Energizing and Start-up Date: _____

Normal Operation of Interconnection: (examples: provide power to meet base load, demand management, standby, back-up, other (please describe))_____

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

One-line diagram attached: _____Yes

Has the generator Manufacturer supplied its dynamic modeling values to the Host Utility?
_____Yes

[Note: Requires a Yes for complete application. For Pre-Certified Equipment answer is Yes.]

Layout sketch showing lockable, "visible" disconnect device:
_____Yes

COMPANY:	**CUSTOMER:**
Southwestern Electric Power Company	_____
	(Customer Name)
_____	_____
(Signature)	(Signature)
_____	_____
(Printed Name)	(Printed Name)
_____	_____
(Title)	(Title)
DATE: _____, 2_____	DATE: _____, 2_____

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

This Interconnection Agreement ("Agreement") is made and entered into this ____ day of _____, 20__, by Southwestern Electric Power Company, ("Company"), and _____ ("Customer"), a _____ [specify whether corporation, and if so name state, municipal corporation, cooperative corporation, or other], each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties". In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Scope of Agreement** -- This Agreement is applicable to conditions under which the Company and the Customer agree that one or more generating facility or facilities of ten MW or less to be interconnected at 60 kV or less ("Facility or Facilities") may be interconnected to the Company's utility system, as described in Exhibit A.

2. **Establishment of Point(s) of Interconnection** -- Company and Customer agree to interconnect their Facility or Facilities at the locations specified in this Agreement, in accordance with Public Utility Commission of Texas Substantive Rules § 25.211 relating to Interconnection of Distributed Generation and § 25.212 relating to Technical Requirements for Interconnection and Parallel Operation of On-Site Distributed Generation, (16 Texas Administrative Code §25.211 and §25.212) (the "Rules") or any successor rule addressing Distributed Generation and as described in the attached Exhibit A (the "Point(s) of Interconnection").

3. **Responsibilities of Company and Customer** -- Each Party will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for, Facility or Facilities which it now or hereafter may own unless otherwise specified on Exhibit A. Customer shall conduct operations of its facility(s) in compliance with all aspects of the Rules, and Company shall conduct operations on its utility system in compliance with all aspects of the Rules, or as further described and mutually agreed to in the applicable Facility Schedule.
Maintenance of Facilities or interconnection facilities shall be performed in accordance with the

applicable manufacturer's recommended maintenance schedule. The Parties agree to cause their Facilities or systems to be constructed in accordance with specifications equal to or greater than those provided by the National Electrical Safety Code, approved by the American National Standards Institute, in effect at the time of construction.

Each Party covenants and agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of, its distribution system and related Facilities and Units so as to reasonably minimize the likelihood of a disturbance, originating in the system of one Party, affecting or impairing the system of the other Party, or other systems with which a Party is interconnected.

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

Company will notify Customer if there is evidence that the Facility operation causes disruption or deterioration of service to other Customers served from the same grid or if the Facility operation causes damage to Company's system.

Customer will notify Company of any emergency or hazardous condition or occurrence with the Customer's Unit(s) which could affect safe operation of the system.

4. Limitation of Liability and Indemnification

a. Notwithstanding any other provision in this Agreement, with respect to Company's provision of electric service to Customer, Company's liability to Customer shall be limited as set forth in Section 5.01, Sheet No. 76C, of Company's PUC-approved tariffs and terms and conditions for electric service, which is incorporated herein by reference.

b. Neither Company nor Customer shall be liable to the other for damages for any act that is beyond such party's control, including any event that is a result of an act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, a curtailment, order, or regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, or by the making of necessary repairs upon the property or equipment of either party.

c. Notwithstanding Paragraph 4.b of this Agreement, Company shall assume all liability for and shall indemnify Customer for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Company's negligence in connection with the design, construction, or operation of its facilities as described on Exhibit A; provided, however, that Company shall have no obligation to indemnify Customer for claims brought by claimants who cannot recover directly from Company. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Customer's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third person; (c)damages related to the death or injury of a third person; (d) damages to the property of Customer; (e) damages to the property of a third person; (f) damages for the disruption of the business of a third person. In no event shall Company be liable for consequential, special, incidental or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Company does not assume liability for any costs for damages arising from the disruption of the business of the Customer or for the Customer's costs and expenses of prosecuting or defending an action or claim against the Company. This paragraph does not create a liability on the part of the Company to the Customer or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

Notwithstanding Paragraph 4.b of this Agreement, Customer shall assume all liability for and shall indemnify Company for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Customer's negligence in connection with the design, construction or operation of its facilities as described on Exhibit A; provided, however, that Customer shall have no obligation to indemnify Company for claims brought by claimants who cannot recover directly from Customer. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Company's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third person; (c) damages related to the death or injury of a third person; (d) damages to the property of Company; (e) damages to the property of a third person; (f) damages for the disruption of the business of a third person. In no event shall Customer be liable for consequential, special, incidental or punitive damages, including, without

d. limitation, loss of profits, loss of revenue, or loss of production. The Customer does not assume liability for any costs for damages arising from the disruption of the business of the Company or for the Company's costs and expenses of prosecuting or defending an action or claim against the Customer. This paragraph does not create a liability on the part of the Customer to the Company or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.

f. Company and Customer shall each be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of delivery. The Company does not assume any duty of inspecting the Customer's lines, wires, switches, or other equipment and will not be responsible therefor. Customer assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith at or beyond the point of delivery, the point of delivery being the point where the electric energy first leaves the wire or facilities provided and owned by Company and enters the wire or facilities provided by Customer.

g. For the mutual protection of the Customer and the Company, only with Company prior authorization are the connections between the Company's service wires and the Customer's service entrance conductors to be energized.

5. **Right of Access, Equipment Installation, Removal & Inspection --** Upon reasonable notice, the Company may send a qualified person to the premises of the Customer at or immediately before the time the Facility first produces energy to inspect the interconnection, and observe the Facility's commissioning (including any testing), startup, and operation for a period of up to no more than three days after initial startup of the unit.

Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Company shall have access to Customer's premises for any reasonable purpose in connection with the performance of the

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its Customers.

6. **Disconnection of Unit --** Customer retains the option to disconnect from Company's utility system. Customer will notify the Company of its intent to disconnect by giving the Company at least thirty days' prior written notice. Such disconnection shall not be a termination of the agreement unless Customer exercises rights under Section 7.

Customer shall disconnect Facility from Company's system upon the effective date of any termination under Section 7.

Subject to Commission Rule, for routine maintenance and repairs on Company's utility system, Company shall provide Customer with seven business days' notice of service interruption.

Company shall have the right to suspend service in cases where continuance of service to Customer will endanger persons or property. During the forced outage of the Company's utility system serving Customer, Company shall have the right to suspend service to effect immediate repairs on Company's utility system, but the Company shall use its best efforts to provide the Customer with reasonable prior notice.

7. **Effective Term and Termination Rights** -- This Agreement becomes effective when executed by both parties and shall continue in effect until terminated. The agreement may be terminated for the following reasons: (a) Customer may terminate this Agreement at any time, by giving the Company sixty days' written notice; (b) Company may terminate upon failure by the Customer to generate energy from the Facility in parallel with the Company's system within twelve months after completion of the interconnection; (c) either party may terminate by giving the other party at least sixty days prior written notice that the other Party is in default of any of the material terms and conditions of the Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity to cure the default; or (d) Company may terminate by giving Customer at least sixty days notice in the event that there is a material change in an applicable rule or statute.

8. **Governing Law and Regulatory Authority** -- This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the parties' obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.

9. **Amendment** -- This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

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DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

10. **Entirety of Agreement and Prior Agreements Superseded** -- This Agreement, including all attached Exhibits and Facility Schedules, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces all prior agreements and undertakings, oral or written, between the Parties with regard to the subject matter hereof, including without limitation _____ [specify any prior agreements being superseded], and all such agreements and undertakings are agreed by the Parties to no longer be of any force or effect. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement.

11. **Notices** -- Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

(a) If to Company:
_____
_____
_____
_____

(b) If to Customer:
_____
_____
_____
_____

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other, notwithstanding Section 10.

12. **Invoicing and Payment** -- Invoicing and payment terms for services associated with this agreement shall be consistent with applicable Substantive Rules of the PUCT.

13. **No Third-Party Beneficiaries** -- This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

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DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

14. **No Waiver** -- The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.

15. **Headings** -- The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.

16. **Multiple Counterparts** -- This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

COMPANY:	**CUSTOMER:**
Southwestern Electric Power Company	_____
	(Customer Name)
_____	_____
(Signature)	(Signature)
_____	_____
(Printed Name)	(Printed Name)
_____	_____
(Title)	(Title)
DATE: _____, 2_____	DATE: _____, 2_____

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DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

EXHIBIT A

LIST OF FACILITY SCHEDULES AND POINTS OF INTERCONNECTION

Facility Schedule No.	Name of Point of Interconnection

[Insert Facility Schedule number and name for each Point of Interconnection]

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DISTRIBUTED GENERATION INTERCONNECTION
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FACILITY SCHEDULE NO. _____

[The following information is to be specified for each Point of Interconnection, if applicable.]

1. Name:
2. Facility location:
3. Delivery voltage:
4. Metering (voltage, location, losses adjustment due to metering location, and other):
5. Normal Operation of Interconnection:
6. One line diagram attached (check one): _____ Yes /_____ No
7. Facilities to be furnished by Company:
8. Facilities to be furnished by Customer:
9. Cost Responsibility:
10. Control area interchange point (check one): _____ Yes /_____ No
11. Supplemental terms and conditions attached (check one): _____ Yes / _____ No

COMPANY:	**CUSTOMER:**
Southwestern Electric Power Company	_____ (Customer Name)
_____ (Signature)	_____ (Signature)
_____ (Printed Name)	_____ (Printed Name)
_____ (Title)	_____ (Title)
DATE: _____, 2_____	DATE: _____, 2_____

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FUEL SURCHARGE

Deleted from tariff book

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TRUE UP FOR HOUSE BILL 11 TAX

The following factors will be applied to the energy usage of retail, non-transmission customers or to the base revenue of retail, transmission customers for one complete billing cycle during the month of October 2009.

These factors implement the final true-up of the difference between the additional tax paid by SWEPCO due to House Bill 11 and the amount collected from retail customers during the period of January 2006 through December 2007.

The calculated factors include interest from the month collected through September 2009.

		House Bill 11 Tax Adjustment Factors	
RATE SCHEDULE	RATE CODE	$ per kWh (1)	% x Base Revenue (2)
Residential Service (RS)	015, 019, 037, 038	0.004478	
Rider to Residential Service for Controlled Service to Water Heater (RWH)	011	0.004478	
General Service (GS)	205, 206, 207, 208, 209, 210, 211, 212, 218, 219	0.006851	
Lighting and Power Service (LP) - Secondary	060, 063, 240, 241, 243, 324	0.001891	
Lighting and Power Service (LP) - Primary	066, 246, 247 249, 276, 323	0.001741	
Lighting and Power Service (LP) - Transmission Level Voltage	252, 254		(9.4475%)
Large Lighting and Power Service (LLP)	346, 351	(0.003895)	
Large Lighting and Power Service (LLP) - Transmission Level Voltage	342, 344		32.5298%

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TRUE UP FOR HOUSE BILL 11 TAX

RATE SCHEDULE	RATE CODE	House Bill 11 Tax Adjustment Factors % per kWh (1)	% x Base Revenue (2)
Metal Melting Service - Distribution Voltage (MMS)	325	0.005027	
Metal Melting Service - 69 kV or Higher (MMS-69kV) - Transmission Level Voltage	321		(2.0637%)
Contract with Lone Star Steel Company (LSS) - Transmission Level Voltage	328		16.4309%
Oil Field Large Industrial Power Schedule (OLI)	329	0.044163	
Municipal Pumping Service (MPS)	540, 550	0.007999	
Municipal Service Schedule (MS)	544, 545, 548	0.003149	
Municipal Lighting Service	522, 528, 529, 534, 535, 538, 539	0.003980	
Private & Area Lighting Service (PL & AL)	090, 094, 096, 098, 104, 108, 112, 115, 132, 135, 137, 138, 140, 141, 142, 143	0.003656	
As - Available Standby Power Service - Secondary	240	0.001891	
As - Available Standby Power Service – Primary	246, 276	0.001741	

(1) To be applied to metered or unmetered kilowatt-hours

(2) Base Revenues excluding any fuel or add-on revenue taxes

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MONTHLY CHARGES FOR SPECIAL OR ADDITIONAL FACILITIES

This tariff is available for discretionary services up to, but not including, customer premises transformers. Discretionary services include facilities such as dual-feed, switch gear for the dual-feed, and specialized protective equipment to automatically separate the customer from the Company's system in the event of a customer problem. Discretionary services are available to new and existing customers for facilities that are on the utility's side of customer premises transformation and are in excess of standard service facilities. D

In the event facilities in excess of normal installation are requested by the Customer or are found to be required to serve the Customer's load the Company shall furnish, install and maintain such facilities with monthly charges to the Customer according to the following schedule:

1. A monthly rate of 1.76% will be applied to the total investment in facilities that are installed, owned, operated and maintained by the Company. I

2. The monthly rate for maintaining facilities installed and owned by the Company but for which Customer has paid the full amount to Company will be 0.69% of the total cost of the facilities.

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MONTHLY CHARGES FOR RENTAL OF SPECIAL OR ADDITIONAL DISTRIBUTION VOLTAGE FACILITIES

AVAILABILITY

This service (Distribution Voltage Facilities Rental Service) is available only to Customers taking distribution voltage service at Points of Delivery where distribution voltage facilities were being leased from the Company on August 31, 2000. Customers qualifying for service under this schedule shall be provided rental service in accordance with the following requirements in accordance with Commission Subst. R. 25.343(f)(4):

1. Customer will retain the options of purchasing the rented facilities, renting additional facilities at that same Point of Delivery, or terminating the facilities rental arrangement.
2. Once all of the facilities formerly leased by Company to Customer have been removed from Customer's side of the Point of Delivery or have been acquired by Customer, the Company may no longer offer facilities rental service at that Point of Delivery.

APPLICABILITY

Distribution Voltage Facilities Rental Service is applicable to Company owned distribution voltage facilities located on the Customer's side of the Point of Delivery. This service applies to Company owned facilities that are in excess of the Standard Facilities and Services that the Company would normally provide under the applicable tariff schedule(s). The facilities rented pursuant to this tariff schedule are facilities that should be provided for by the Customer, and the Customer has elected to provide for these facilities through a rental arrangement with the Company.

D

RENTAL CHARGES

The monthly rental charge for distribution voltage facilities installed, owned, operated and maintained by the Company, will be derived by the total calculated installed cost of the facilities to be rented multiplied by 1.76%. The monthly charge for distribution voltage facilities I
installed, owned, operated and maintained by the Company but for which the Customer has paid the full amount to the Company will be derived by the total calculated installed cost of the facilities to be rented multiplied by 0.69%. I

TERMS OF PAYMENT

Customers shall pay Distribution Voltage Facilities Rental Service fees on a monthly basis, and the monthly rental charge will be due and payable with the Customer's monthly bill for Electric Service.

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MONTHLY CHARGES FOR RENTAL OF SPECIAL OR ADDITIONAL DISTRIBUTION VOLTAGE FACILITIES

TERMS AND CONDITIONS

Should the Customer request that any of the rented facilities installed, owned, maintained or operated by the Company be removed, or upon termination of service at a location without a new Customer willing to continue a contract to rent the distribution voltage facilities, the Company will remove such facilities within a reasonable amount of time at the Customer's expense.

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RELIABILITY SURCHARGE

AVAILABILITY

This Surcharge is in effect for a period of one year after implementation in Public Utility Commission of Texas (PUCT) Docket No. 37364.

This Surcharge is applicable to and becomes part of each SWEPCO Texas jurisdictional rate schedule. This Surcharge is applicable to energy consumption of retail customers served at secondary and primary service levels and to facilities, premises and loads of such retail customers.

For service billed under applicable rate schedules for which there is not metering, the monthly kilowatt-hour (kWh) usage shall be estimated by the Company and the Reliability Surcharge Factor shall be applied to the estimated kWh usage.

The Reliability Surcharge billing shall be determined by multiplying the total billing kWh for each applicable customer by the Reliability Surcharge Factor for that customer's class for the current month.

RELIABILITY SURCHARGE FACTORS

Major Rate Class	Factors
Residential - Secondary	$0.002213 per kWh
Commercial/Small Industrial – Secondary *	$0.001416 per kWh
Commercial/Small Industrial - Primary	$0.000733 per kWh
Municipal – Secondary **	$0.002961 per kWh
Industrial/Large Light & Power – Primary	$0.000881 per kWh
Industrial/Large Light & Power – Transmission	$0.000000 per kWh

* Private Outdoor and Customer-Owned Lighting is included in the Commercial/Small Industry - Secondary Rate Class.
** Municipal and Public Street and Highway Lighting is included in the Municipal – Secondary Rate Class.

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COTTON GIN OFF PEAK LIGHTING AND POWER SERVICE (CG LP) N

AVAILABILITY

This rate schedule is available only for cotton gins having a load of not less than 65 horsepower served at secondary voltage. Service will be supplied at one point of delivery through one meter.

MONTHLY RATE

Secondary Service

Kilowatt Charge:

$5.83 for each Kilowatt of Billing Demand in the month, but not less than $58.30

Kilowatt-hour (kWh) Charge:

1.020¢ per kWh

Minimum Monthly Bill: The minimum monthly bill will be applicable only in the ginning season as defined below. The Minimum Monthly Bill for the ginning season will be the Kilowatt Charge, but not less than the charge for the maximum Kilowatts of Billing Demand established during the 11 preceding months.

Ginning Season:

The ginning season, for purposes of this rate, is defined as the billing months of October through March, inclusive. The non-ginning season is defined as the billing months of April through September, inclusive.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34.

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff.

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month. The Kilowatts of Billing Demand will be subject to the Power Factor Adjustment Clause.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill. N

Power Factor Adjustment: The Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month

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COTTON GIN OFF PEAK LIGHTING AND POWER SERVICE (CG LP)

be determined to be below 90%, the Customer's Kilowatts of Billing Demand will be adjusted by multiplying the Kilowatts of Billing Demand by 90% and dividing by the average lagging power factor.

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

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Section No: 4.11
Applicable: Texas
Docket No:

Sheet No: 37
Effective Date: Cycle 01 January 2006
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T

FIXED FUEL FACTOR

Electric service billed under applicable rate tariffs shall be subject to this Fixed Fuel Factor in accordance with the Substantive Rules of the Public Utility Commission of Texas Section 25.237.

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The Fixed Fuel Factor is multiplied by the kWh sales read, estimated or determined under a metering voltage provision of an applicable rate schedule during the billing month.

The Fixed Fuel Factors are:

Service Voltage	February – July	Aug – January
Transmission – 138 kV	$.034499	$.023743
Transmission – 69 kV	$.034835	$.023975
Primary Substation *	$.035007	$.024093
Primary	$.035308	$.024300
Secondary	$.036301	$.024983

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*Applicable to Primary Service supplied from the Substation bus.

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T

FIXED FUEL FACTOR

Electric service billed under applicable rate tariffs shall be subject to this Fixed Fuel Factor in accordance with the Substantive Rules of the Public Utility Commission of Texas Section 25.237.

The Fixed Fuel Factor is multiplied by the kWh sales read, estimated or determined under a metering voltage provision of an applicable rate schedule during the billing month.

The Fixed Fuel Factors are:

Service Voltage	January - December
Transmission – 138 kV	$.022796
Transmission – 69 kV	$.023018
Primary Substation	$.023132
Primary	$.023331
Secondary	$.023986

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SOUTHWESTERN ELECTRIC POWER COMPANY

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Section Title: Rates, Charges, and Fees
Section No: 4.11
Applicable: Texas
Docket No: 23230

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Revision No. 7
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T

FIXED FUEL FACTOR

Electric service billed under applicable rate tariffs shall be subject to this Fixed Fuel Factor in accordance with the Substantive Rules of the Public Utility Commission of Texas Section 25.237.

T

The Fixed Fuel Factor is multiplied by the kWh sales read, estimated or determined under a metering voltage provision of an applicable rate schedule during the billing month.

The Fixed Fuel Factors are:

Service Voltage	December - February	March - May	June - August	September - November
Transmission – 138 kV	$.016919	$.019057	$.019801	$.020701
Transmission – 69 kV	$.017115	$.019278	$.020030	$.020941
Primary Substation	$.017221	$.019398	$.020154	$.021071
Primary	$.017405	$.019604	$.020369	$.021295
Secondary	$.017986	$.020259	$.021049	$.022006

I

The Fixed Fuel Factors will not be applied to kWh sales of customers associated with incremental usage (i.e., above or below) the CBL for MarketChoice Pilot Program.

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2010 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.024469	$0.024790	$0.024772	$0.025111	$0.025929
February	$0.024469	$0.024790	$0.024772	$0.025111	$0.025929
March	$0.024469	$0.024790	$0.024772	$0.025111	$0.025929
April	$0.027672	$0.028036	$0.028015	$0.028398	$0.029323
May	$0.027672	$0.028036	$0.028015	$0.028398	$0.029323
June	$0.027672	$0.028036	$0.028015	$0.028398	$0.029323
July	$0.031267	$0.031678	$0.031655	$0.032088	$0.033133
August	$0.031267	$0.031678	$0.031655	$0.032088	$0.033133
September	$0.031267	$0.031678	$0.031655	$0.032088	$0.033133
October	$0.027968	$0.028336	$0.028315	$0.028702	$0.029637
November	$0.027968	$0.028336	$0.028315	$0.028702	$0.029637
December	$0.027968	$0.028336	$0.028315	$0.028702	$0.029637

2009 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
February	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
March	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
April	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
May	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
June	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
July	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
August	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
September	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
October	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
November	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
December	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983

2008 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
February	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
March	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
April	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
May	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
June	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
July	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
August	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
September	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
October	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
November	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
December	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983

2007 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
February	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
March	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
April	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
May	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
June	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
July	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
August	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
September	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
October	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
November	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
December	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983

Year To Date 2006 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
February	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
March	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
April	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
May	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
June	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
July	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
August	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
September	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
October	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
November	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
December	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983

Year To Date 2005 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
March	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
April	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
May	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
June	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
July	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
August	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
September	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
October	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
November	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
December	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986

Year To Date 2004 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
March	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
April	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
May	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
June	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
July	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
August	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
September	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
October	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
November	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
December	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986

Tariffs

AEP SOUTHWESTERN ELECTRIC POWER

Year To Date 2003 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
March	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
April	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
May	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
June	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
July	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
August	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
September	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
October	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
November	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
December	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986

Tariffs

AEP SOUTHWESTERN ELECTRIC POWER

Year To Date 2002 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
March	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
April	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
May	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
June	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
July	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
August	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
September	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
October	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
November	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
December	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986

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Tariffs

AEP SOUTHWESTERN ELECTRIC POWER®

2001 Fixed Fuel Factors

Billing Month	Trans. 138 KV	Trans. 69 KV	Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
March	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
April	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
May	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
June	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
July	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
August	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
September	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
October	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
November	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
December	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986

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2000 Fixed Fuel Factors

Billing Month	Trans. 138 KV	Trans. 69 KV	Substation	Primary	Secondary
January	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
February	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
March	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
April	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
May	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
June	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
July	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
August	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
September	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
October	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
November	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
December	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290

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AEP SOUTHWESTERN ELECTRIC POWER®

1999 Fixed Fuel Factors

Billing Month	Trans. 138 KV	Trans. 69 KV	Substation	Primary	Secondary
January	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
February	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
March	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
April	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
May	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
June	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
July	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
August	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
September	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
October	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
November	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
December	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290

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AEP SOUTHWESTERN ELECTRIC POWER

1998 Fixed Fuel Factors

Billing Month	Trans. 138 KV	Trans. 69 KV	Substation	Primary	Secondary
January	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
February	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
March	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
April	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
May	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
June	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
July	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
August	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
September	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
October	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
November	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
December	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290

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SOUTHWESTERN ELECTRIC POWER COMPANY

SECTION TITLE FUEL AND TAX ADJUSTMENT SHEET NUMBER 37.36

SECTION NUMBER 4.11 EFFECTIVE DATE Cycle 01 February 2006 N

APPLICABLE TEXAS REVISION NUMBER Original

FUEL RECOVERY SURCHARGE FACTORS
(DOCKET NO. 32006)

The Fuel Surcharge Factors shall be effective with the first billing cycle of February 2006 and will remain in effect through the January 2007 billing cycle. The surcharge will be identified on bills as "Fuel Recovery Surcharge." T

Electric service supplied under the following rate schedules shall be subject to the applicable fuel surcharge factors which apply to kilowatt-hours billed beginning with the February 2006 billing cycle. T

PUCT SHEET NUMBER	RATE SCHEDULE	RATE CODE	FUEL RATE	FUEL SURCHARGE FACTOR $ per kWh	INTEREST FACTOR $ per kWh	TOTAL SURCHARGE FACTOR $ per kWh
1	Residential Service (RS)	015,019 037,038	S	0.006551	0.000187	0.006738
2	Rider to Residential Service for Controlled Service to Water Heater (RWH)	011	S	0.006551	0.000187	0.006738
4	General Service (GS)	205,206,208 209,210,211 218,219	S	0.007000	0.000243	0.007243
	General Service w/C2 Rider(GS)	207,212	S	0.005672	0.000219	0.005891
5	Lighting and Power Service (LP)	060,240,241	S	0.006061	0.000172	0.006233
	Lighting and Power Service w/C2 Rider (LP)	063,243	S	0.005792	(0.000198)	0.005594
	Lighting and Power Service (LP) - Interruptible	324	S	0.004963	0.000121	0.005084
	Lighting and Power Service (LP)	066,246 247,276	P	0.005270	0.000528	0.005798
	Lighting and Power Service (LP)w/C2	249	P	0.005749	0.000252	0.006001
	Lighting and Power Service (LP)	254	T-138kV(A)	$16,889	($6,280)	$10,609
	Lighting and Power Service (LP)	252	T-69kV(A)	$204	$176	$380
6	Large Lighting and Power Service (LLP)	351	SUB(A)	$150,135	$4,964	$155,099
	Large Lighting and Power Service (LLP)	342	T-69kV(A)	$51,036	($7,915)	$43,121
	Large Lighting and Power Service (LLP)	344	T-138kV(A)	$135,751	$26,946	$162,697
7	Metal Melting Service - Distribution Voltage (MMS)	325	P	0.005359	(0.002171)	0.003188
9	Metal Melting Service - 69 kV or Higher (MMS-69kV)	321	T-69kV(A)	$17,713	($7)	$17,706

EXHIBIT LBM-14
PAGE 2 OF 2

SOUTHWESTERN ELECTRIC POWER COMPANY

SECTION TITLE FUEL AND TAX ADJUSTMENT

SHEET NUMBER 37.37

SECTION NUMBER 4.11

EFFECTIVE DATE Cycle 1 February 2006 N

APPLICABLE TEXAS

REVISION NUMBER Original

FUEL RECOVERY SURCHARGE FACTORS
(DOCKET NO. 32006)

PUCT SHEET NUMBER	RATE SCHEDULE	RATE CODE	FUEL RATE	FUEL SURCHARGE FACTOR $ per kWh	INTEREST FACTOR $ per kWh	TOTAL SURCHARGE FACTOR $ per kWh
13	Contract with Lone Star Steel Company (LSS)	328	T-138kV[(A)]	$298,350	($8,444)	$289,906
15	Oil Field Large Industrial Power Schedule (OLI)	329	P	0.004938	(0.002556)	0.002382
17	Municipal Pumping Service (MPS)	540,550	S	0.005810	(0.000022)	0.005788
18	Municipal Service Schedule (MS)	544,545	S	0.006420	0.000211	0.006631
	Municipal Service Schedule w/C2 Rider (MS)	548	S	0.004960	(0.000164)	0.004796
20,22,23, 25,27	Municipal Lighting Service	528,529	S	0.005041	0.000174	0.005215
26	Public Highway Lighting Service-Energy Only (PHL-E)	534,535 538,539	S	0.005187	0.000250	0.005437
28	Private Lighting Service (PL)	090,141 142,143	S	0.004958	0.000287	0.005245
29,30	Area Lighting – Outdoor	094,096,098 104,108,112 115,132,135 137,138,140	S	0.005050	0.000182	0.005232
45	As - Available Standby Power Service	276	P[(A)]	$8,018	$6	$8,024
11	C-1 Rider	206,209,211 219,241,247 545	S[(B)]	(0.006081)	0.001562	(0.004519)

(A) The fuel surcharge amounts attributable to transmission voltage, Large Lighting and Power substation voltage, and As-Available Standby Power Service customers have been calculated on a monthly basis based upon their individual and actual billing during the period of January 2003 through September 2005.

(B) Applicable to billing month February 2006.

SOUTHWESTERN ELECTRIC POWER COMPANY

SECTION TITLE FUEL AND TAX ADJUSTMENT SHEET NUMBER 37.38 N

SECTION NUMBER 4.11 EFFECTIVE DATE Cycle 01 March 2009

APPLICABLE TEXAS REVISION NUMBER ORIGINAL

INTERIM FUEL FACTORS
(DOCKET NO. 36324)

The Fuel Surcharge Factors shall be effective with the first billing cycle of March 2009 and will remain in effect through the July 2009 billing cycle. The surcharge will be identified on bills as "Fuel Refund/Surcharge."

Electric service supplied under the following rate schedules shall be subject to the applicable fuel surcharge factors which apply to kilowatt-hours billed beginning with the March 2009 billing cycle.

PUCT SHEET NUMBER	RATE SCHEDULE	RATE CODE	FUEL RATE	FUEL FACTOR $ per kWh	INTEREST FACTOR $ per kWh	TOTAL FACTOR $ per kWh
1	Residential Service (RS)	015,019,037,038	S	0.005438	0.000232	0.005670
2	Rider to Residential Service for Controlled Service to Water Heater (RWH)	011	S	0.005716	0.000238	0.005954
4	General Service (GS)	205,206,208,209 210,211,218,219	S	0.005257	0.000226	0.005483
	General Service w/C2 Rider(GS)	207,212	S	0.005223	0.000215	0.005438
5	Lighting and Power Service (LP)	060,240,241	S	0.004840	0.000209	0.005049
	Lighting and Power Service w/C2 Rider (LP)	063,243	S	0.004865	0.000209	0.005074
	Lighting and Power Service (LP) - Interruptible	324	S	0.004445	0.000283	0.004728
	Lighting and Power Service (LP)	066,246 247,276	P	0.004699	0.000200	0.004899
	Lighting and Power Service w/C2 Rider (LP)	249	P	0.004436	0.000194	0.004630
	Lighting and Power Service (LP)	252	T-69kV(A)	$2,205	$96	$2,301
6	Large Lighting and Power Service (LLP)	346	P	0.004557	0.000196	0.004753
	Large Lighting and Power Service (LLP)	351	Sub	$117,740	$5,132	$122,872
	Large Lighting and Power Service (LLP)	342	T-69kV(A)	$46,839	$3,438	$48,873
	Large Lighting and Power Service (LLP)	344	T-138kV(A)	$102,625	$4,364	$106,989
	Large Lighting and Power Service-Interruptible (LLP)	320	T-138kV(A)	$27,861	$1,155	$29,016

SOUTHWESTERN ELECTRIC POWER COMPANY

SECTION TITLE FUEL AND TAX ADJUSTMENT

SHEET NUMBER 37.37

N

SECTION NUMBER 4.11

EFFECTIVE DATE Cycle 1 March 2009

APPLICABLE TEXAS

REVISION NUMBER ORIGINAL

INTERIM FUEL FACTORS
(DOCKET NO. 36324)

PUCT SHEET NUMBER	RATE SCHEDULE	RATE CODE	FUEL RATE	FUEL FACTOR $ per kWh	INTEREST FACTOR $ per kWh	TOTAL FACTOR $ per kWh
7	Metal Melting Service – Distribution Voltage (MMS)	325	P	0.004110	0.000182	0.004292
9	Metal Melting Service - 69 kV or Higher (MMS-69kV)	321	T-69kV(A)	$25,451	$1,093	$26,544
13	Contract with Lone Star Steel Company (LSS)	328	T-138kV(A)	$160,744	$6,741	$167,485
15	Oil Field Large Industrial Power Schedule (OLI)	329	P	0.004707	0.000191	0.004898
17	Municipal Pumping Service (MPS)	540,550	S	0.004832	0.000210	0.005042
18	Municipal Service Schedule (MS)	544,545	S	0.004974	0.000217	0.005191
	Municipal Service Schedule w/C2 Rider (MS)	548	S	0.005108	0.000209	0.005317
20,22,23, 25,26,27	Municipal/Public Lighting Service	522,528,529,534 535,538,539,739	S	0.004481	0.000193	0.004674
28	Private Lighting Service (PL)	090,141 142,143	S	0.004526	0.000195	0.004721
29,30	Area Lighting – Outdoor	094,096,098,104 108,112,115,132 135,137,138,140	S	0.004095	0.000176	0.004271
45	As – Available Standby Power	240,246,276	P(A)	$924	$45	$969
11	C-1 Rider	206,209,211,219 241,247,545	S(B)	0.000636	(0.000017)	0.000619

(A) The fuel under-recovery amounts attributable to transmission voltage, Large Lighting and Power substation voltage, and As-Available Standby Power Service customers have been calculated on a monthly basis based upon their individual and actual billing during the period of November 2007 through September 2008.

(B) C-1 Rider fuel surcharge amounts will only be applicable during the months of March and April 2009.

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STANDARD TERMS AND CONDITIONS

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1. APPLICABLE TO ALL CLASSES OF ELECTRIC SERVICE

In order that all Customers may receive uniform, efficient, and adequate service, electric service will be supplied to and accepted by all Customers receiving service from the Company in accordance with these Terms and Conditions.

2. ORDER FOR SERVICE

Contract and Agreement forms are provided by the Company to show the agreement under which the Customer receives and the Company delivers electric service. Appropriate arrangements will be completed with Customer, or his duly-authorized agent, before service is supplied by the Company. A separate contract will be in effect for each class of service at each separate location. Refusal of service by the Company is governed by the Company's Service Refusal Policy, Sheet No. V-7. T

3. OPTIONAL RATES

The Company's published rate schedules state the conditions under which each is available for electric service. When two or more rates are applicable to a certain class of service, the choice of such rates lies with the Customer.

The Company, at any time upon request, will determine for any Customer the rate best adapted to existing or anticipated service requirements as defined by the Customer, but the Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.

The Company, lacking knowledge of changes that may occur an any time in the Customer's operating conditions, does not assume responsibility that Customer will be served under the most favorable rate; nor will the Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same service.

Rates are normally established on a twelve-month basis and a Customer having selected a rate adapted to his service may not change to another rate within a twelve-month period unless there is a substantial change in the character or conditions of his service. A new Customer will be given reasonable opportunity to determine his service requirements before definitely selecting the most favorable rate therefor.

4. DEPOSIT

The Customer, if requested by the Company to do so, will make and maintain a reasonable deposit to secure payment of bills. Rules and regulations governing the requirement for and refund ability of deposits are contained in the Company's Deposit Policy, Sheet No. V-2. T

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5. MONTHLY BILLS

Bills for service will be rendered monthly, unless otherwise specified. The term "month" for billing purposes will mean the period between any two consecutive readings of the meters by the Company, such readings to be taken as nearly as practicable every thirty days.

Bills for electric service shall be rendered for a full month basis except that bills may be prorated for the number of days from the date connected to the regular meter reading or from the regular meter reading to the date of disconnect. For proration purposes, 30 days is considered a full month.

Failure to receive a bill in no way exempts Customers from payment for electric service.

When there is good reason for doing so, estimated bills may be submitted provided that an actual meter reading is taken every three (3) months. In months when the meter reader is unable to gain access to the premises to read the meter on regular meter-reading trips, or in months when meters are not read, Company will provide the Customer with a postcard and request the Customer to read the meter and return the card to Company. If such postcard is not received by Company in time for billing, Company may estimate meter reading and render bill accordingly.

If amounts billed for utility service are found to differ from the Company's rates approved by the Public Utility Commission of Texas (PUCT), or if the Company fails to bill the customer for such service, a billing adjustment shall be calculated by the Company.

If the Customer is due a refund, an adjustment shall be made for the entire period of the overcharges. If an overcharge is adjusted by the Company within three billing cycles of the bill error, interest shall not accrue. Interest on overcharges that are not adjusted by the Company within three billing cycles of the bill in error shall accrue from the date of payment unless the Company chooses to provide interest to all of its affected Customers from the date of the bill in error. The rate of interest shall be that set annually for a calendar year by the PUCT. Interest shall not apply to leveling plans or estimated billings that are authorized by statue or rule. If the Customer was undercharged, the Company may backbill the customer for the amount which was underbilled. The backbilling is not to exceed six months unless such undercharge is a result of meter tampering, bypass, or diversion by the Customer as defined in PUCT Subst. R. 25.126. The Company may not disconnect service if the Customer fails to pay charges T
arising from an underbilling more than six months prior to the date the Company initially notified the customer of the amount of the undercharge and the total additional amount due unless such undercharge is a result of meter tampering, bypassing, or diversion by the customer as defined in PUCT Subst. R. 25.126. If the underbilling is $25 or more, the Company shall offer the customer a deferred payment T
plan option for the same length of time as that of the underbilling. In case of meter tampering, bypass, or diversion, the Company may, but is not required to, offer a customer a deferred payment plan. Interest shall not apply to undercharged amounts unless such amounts are found to be the result of meter tampering, bypass, or diversion by the Customer as defined in PUCT Subst. R. 25.126. Interest on

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undercharged amounts shall accrue from the day the Customer is found to have first tampered, bypassed or diverted. T

When a bill rendered to a Commercial or Industrial Customer is paid after the due date, a one-time penalty in an amount set forth in the applicable rate schedule will be added to the amount owed the Company.

6. DISCONTINUANCE OF SERVICE

A Customer's utility service may be disconnected and the Company's property removed from the Customer's premises if the bill has not been paid by the due date and proper notice has been given in accordance with the Company's Collection and Disconnect Policy, Sheet No. V-3. No such suspension of electric service will interfere with the enforcement by the Company of any other legal right or remedy nor relieve the Customer from liability to pay the minimum charge during any suspension. T

The Company is not responsible for loss or damage caused by disconnection or reconnection of its facilities, unless it be shown the Company failed to make reasonable provisions to avoid or prevent loss or damage. N

No delay by the Company in enforcing any of its rights will be deemed a waiver of such rights nor will waiver by the Company of any default by the Customer be deemed a waiver of any other subsequent default.

7. EXCLUSIVE SERVICE ON INSTALLATION CONNECTED TO COMPANY'S SYSTEM

Except as may be specifically permitted under tariffs governing the interconnection or provision of service to small power producers or cogenerators, standard electric rate schedules are based on exclusive use of Company's service.

Except in cases where the Customer has a contract with the Company for breakdown or standby service, no other electric light or power service will be used by the Customer on the same installation in conjunction with the Company's service, either by means of a throw-over switch or any other connection.

The Company will not be required to supply or continue to supply service to any Customer where a portion of Customer's service requirement is obtained from other sources, except when such service is covered by a contract under Standby Service Schedule (S).

The Customer will not sell the electricity purchased from the Company to any other customer, company, or person, and Customer will not deliver electricity purchased from the Company to any connection wherein said electricity is to be used off of the Customer's premises on which the meter is located.

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8. CUSTOMER'S INSTALLATION

Customer is responsible for installing and maintaining such protective devices as are recommended or required by the then current edition of the National Electrical Code or as may be necessary to protect Customer's equipment or process during abnormal service conditions or the failure of all or a part of the electric service provided by the Company. All wiring and other electrical equipment furnished by the Customer will be installed, operated, and maintained by the Customer at all times in conformity with good electrical practice and with the requirements of the constituted authorities and these Terms and Conditions. Where no public authorities have jurisdiction, Company, for Customer's protection, may require Customer to furnish Company a certificate from wiring electrician that Customer's installation conforms to the National Electrical Code and/or the National Electrical Safety Code. The Company does not assume responsibility for the design, operation, or condition of the Customer's installation.

Service will be delivered to Customer for each premise at one point of delivery to be designated by Company and to conform to Company's service standards. For mutual protection of Customer and Company, only authorized employees of Company are permitted to make and energize the connection between Company's service wire and Customer's service entrance conductors. The Customer will indemnify and save the Company harmless from all loss on account of injury or damage to persons or property on the Customer's premises, and at and from the point of delivery of power if such point is located off the Customer's premises, growing out of any accident or mishap.

9. OWNER'S CONSENT TO OCCUPY

The Company shall have the right to install and maintain equipment in, over and under the Customer's property and shall have access to the Customer's premises for any other purpose necessary for supplying electric service to the Customer. In case the Customer is not the owner of the premises or of the intervening property between the premises and the Company's lines, the Customer will obtain from the property owner or owners the easements or right-of-way necessary to install and maintain in, over or under said premises all such wires and electrical equipment as are necessary or convenient for supplying electric service to the Customer.

10. MOTOR INSTALLATIONS

For mutual protection of service to all customers, all motor installations will be as follows:

(a) All motors rated in horsepower up to and including 7-1/2 HP and individual air conditioning units with ratings of 65,000 BTUH (ARI rating) or less will be single phase, unless otherwise agreed to by the Company or served in conjunction with other larger three phase loads.
(b) All three phase motors will be equipped with approved starting equipment having low voltage release attachment and properly sized over-current protection in each of the three phases.

11. POWER FACTOR

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Where Customer has power or heating equipment installed that operates at low power factor, Customer will furnish, at his own expense, suitable corrective equipment to maintain a power factor of 90% lagging, or higher.

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Customer will install and maintain in conjunction with any fluorescent lighting, neon lighting, or other lighting equipment having similar load characteristics, auxiliary or other corrective apparatus that will correct the power factor of such lighting equipment to not less than 90% lagging.

12. PROTECTION OF SERVICE

Where the Customer's use of any devices that have a detrimental effect upon the service rendered to other Customers or upon Company equipment and causes voltage fluctuation of the 60 Hertz wave, clipping of the current, or voltage wave - thereby producing harmonics or a cyclic pulsation between one and sixty Hertz (1 and 60 Hertz), the Customer will furnish at his own expense necessary equipment to limit such voltage fluctuation, harmonics, or pulsations so that they will not interfere with other Customers or Company equipment. Where the interference cannot be corrected, the use of such devices must be discontinued.

13. CONTINUOUS SERVICE

Company will make reasonable provisions to insure satisfactory and continuous service, but does not guarantee a continuous supply of electric energy or that the voltage, wave form or frequency of the supply will not fluctuate. The Company shall not be liable for damages occasioned by interruption, failure to commence delivery, or voltage, wave form or frequency fluctuation caused by interruption or failure of service or delay in commencing service due to accident to or breakdown of plant, lines, or equipment, theft, destruction of Company property by a third party, strike, riot, act of God, order of any court or judge granted in any bonafide adverse legal proceedings or action or any order of any commission or tribunal having jurisdiction; or, without limitation by the preceding enumeration, any other act or things due to causes beyond its control, to the negligence of the Company, its employees, or contractors, except to the extent that the damages are occasioned by the gross negligence or willful misconduct of the Company. T

In like manner, should the Customer's premises be rendered wholly unfit for the continued operation of the Customer's plant or business, due to any of the causes mentioned above, the Customer's contract, if any, will thereupon be suspended until such time as the plant or premises will have been reconstructed, reconditioned, and reoccupied by the Customer for the purpose of his business.

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14. INTENTIONAL INTERRUPTION OF SERVICE

The Company may without notice and without liability to Customer interrupt service to Customer when in the Company's sole judgment such interruption:

(a) Will prevent or alleviate an emergency threatening to disrupt the operation of the Company's system; or
(b) Will lessen or remove possible danger to life or property; or
(c) Will aid in the restoration of electric service; or
(d) Is required to make necessary repairs to or changes in the Company's facilities.

Customer may request, in writing, that Company provide notice of intentional interruption of service by contact at an address and telephone number provided in such written request by Customer and Company will exercise reasonable diligence to give such notice but does not warrant that notice will be given in every case of intentional interruption.

The Company is not responsible for loss or damage caused by disconnection or reconnection of its facilities, unless it be shown the Company failed to make reasonable provisions to avoid or prevent loss or damage. N

15. METERING

The electricity used will be measured by a meter or meters to be furnished and installed by the Company at its expense and bills will be calculated upon the registration of such meters. Meters include all measuring instruments. Meter installations will be made in accordance with the service standards set forth in the Company's Meter Service Handbook. Customer will provide a sufficient and proper space in a clean and safe place, accessible at all times and free from vibration, for the installation of Company's meters. Company will furnish all meter bases and/or metering enclosures to be installed by Customer on supply side of service equipment to be metered. T

Meters will be tested as reasonably necessary in accordance with the Company's Meter Testing Policy, Sheet No. V-6. T

16. PROTECTION OF COMPANY'S PROPERTY AND ACCESS TO PREMISES

The Customer will protect the Company's property on the Customer's premises from loss or damage and will permit no one who is not an agent of the Company to remove or tamper with the Company's property.

The Company will have the right of access to the Customer' premises at all reasonable times for the purpose of installing, reading, inspecting, or repairing any meters or devices owned by Company or for the purpose of removing its property.

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17. AGENTS CANNOT MODIFY AGREEMENT
No agent has power to amend, modify, or waive any of these Terms and Conditions, or to bind the Company by making any promises or representations not contained herein.

18. SUPERSEDE PREVIOUS TERMS AND CONDITIONS
These Terms and Conditions supersede all Terms and Conditions under which the Company has previously supplied electric service.

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DEPOSIT POLICY

Application for Permanent Residential Service

SWEPCO may require all applicants for permanent residential service who previously have been a customer of the Company and whose service has been discontinued for nonpayment of bills or the tampering with or bypassing of a meter, to make a deposit or establish credit satisfactory to the Company before electric service will be provided. Credit history shall be applied equally for 12 months immediately after their divorce to a spouse or former spouse who shared the service. T

Credit satisfactory to the Company may be established by any of the following methods:

(1) Applicant has been a customer of any utility for the same kind of service within the last two years and is not delinquent in payment of any such utility service account, and during the last 12 consecutive months of service did not have more than one occasion in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment; or

(2) Applicant furnishes a letter in writing from a third party that satisfactorily guarantees payment of bills up to an amount stated in the written guarantee, not to exceed the amount of the deposit the Company would require on the applicant's account. The guarantor must have an acceptable credit standing. Letter must state that the guarantee is a condition precedent to service, and that the applicant and guarantor may be disconnected for nonpayment, if applicant's bills are not paid; or

(3) If the residential applicant demonstrates a satisfactory credit rating by appropriate means, including, but not limited to, the production of generally acceptable credit cards, letters of credit reference, the names of credit references which may be quickly and inexpensively contacted by the Company, or ownership of substantial equity that is easily liquidated; or T

(4) If the residential applicant has a satisfactory credit rating on other accounts with SWEPCO within the same accounting town; or

(5) If the residential applicant has a satisfactory credit rating on accounts with SWEPCO at other locations, a deposit will be required of the applicant pending verification from the previous accounting office. Upon verification of a satisfactory credit record the deposit will be refunded.

(6) If the applicant is sixty-five years of age or older, the requisite credit rating may be demonstrated by showing that the applicant does not have an outstanding account balance for electric service with either the Company or any other electric utility which accrued within the last two (2) years. T

The burden to establish and supply proper credit information to establish credit satisfactory to the Company will rest with the applicant.

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DEPOSIT POLICY

Commercial and Industrial Services

Commercial and industrial applicants for service must establish a satisfactory credit rating with SWEPCO or be required to make a deposit.

Amount of Deposit and Interest for Permanent Residential, Commercial and Industrial Service

The deposit will be an amount up to one-sixth (1/6) of the estimated annual billings. Estimated billings will be determined by reasonably estimating electric usage based upon type and size of the applicant's facility, connected electric load, reasonably anticipated consumption pattern, actual historical usage (if available), and information supplied by the applicant.

An initial deposit may not be required from residential Customers already receiving service unless Customer has on more than one (1) occasion during the last twelve (12) consecutive months of service in which a bill for utility service was paid after becoming delinquent or if the Customer's service was disconnected for nonpayment. Such deposit may be required to be made within ten (10) days after issuance of written termination notice and requested deposit. In lieu of initial deposit, Customer may elect to pay the current bill by the due date of the bill, provided Customer has not exercised this option in the previous twelve (12) months. Customer may furnish in writing a satisfactory guarantee to secure payments of bills in lieu of a cash deposit.

At the time a deposit is required, Company will provide applicants for, and Customers of, commercial, industrial, or residential service written information about deposits by providing the "Your Rights as a Customer" brochure, which contains the relevant information. T

An initial deposit may be required from an existing customer if the customer is late paying a bill more than once during the last 12 months of service or had service disconnected for nonpayment. The request for such additional deposit must be issued in writing and must indicate that the Customer may elect to pay the current usage in lieu of the additional deposit. The Company may disconnect service if the additional deposit or the current usage payment is not made within 10 days of the request provided a written disconnect notice has been issued to the Customer. Such disconnect notice may be issued concurrently with the written request for the additional deposit or current usage payment. T

If actual billings of a residential Customer are at least twice the amount of the estimated billings and a disconnection notice has been issued for the account within the previous twelve (12) month period, a new deposit may be required to be made within fifteen (15) days after issuance of written notice of disconnection and requested additional deposit. If actual billings of a commercial Customer are at least twice the amount of the estimated billings, and a disconnection notice has been issued on a bill within the previous twelve (12) month period, a new deposit may be required to be made within fifteen (15) days after issuance of written notice of disconnection and requested additional deposit. In lieu of additional deposit, the Customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months. If such additional T

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deposit is not made, the Customer may be disconnected by the Company under the provisions of Company's Collection and Disconnect Policy.

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SWEPCO pays interest on refundable deposits from the date of deposit receipt. The rate of interest to be paid on customer deposits in accordance with P.U.C. SUBST. R.25.24, is established annually on December 1 for the subsequent calendar year by the Commission. If refund of deposit is made within 30 days of receipt of deposit, no interest payment is required. If the Company retains the deposit more than 30 days, payment of interest shall be made retroactive to the date of deposit. The Customer may request the interest payment through the end of the previous calendar year or at the time the deposit is returned or credited to the customer's account. The deposit shall cease to draw interest on the date it is returned or credited to the Customer's account.

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Refund will be made by crediting Customer's bill or by cash upon specific request from the Customer. On final bills, the deposit and interest will be applied toward settlement of the account. When the Customer has paid bills for service for twelve (12) consecutive residential billings or for twenty-four (24) consecutive commercial or industrial billings without having service disconnected for nonpayment of bill and without having more than two occasions in which a bill was delinquent, and when the customer is not delinquent in the payment of the current bills, the Company will refund the deposit plus accrued interest to the customer.

Company shall have the right to require a deposit from any Customer selecting to pay for electric service under the Company's Equal Payment Plan without regard to whether the customer is able to establish credit in accordance with the other provisions of this Deposit Policy. The deposit will not exceed one-sixth (1/6) of the estimated annual billings and may be retained by the Company for the duration of time that the Customer remains on the Equal Payment Plan.

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Dissatisfaction with Company's Decision

If an applicant for service or Customer seeking to establish or re-establish credit under the provisions of this policy is dissatisfied with Company's decision, Company must inform customer of his or her right to file a complaint with the Commission thereon.

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Amount of Deposit for Temporary or Seasonal Service and for Weekend Residences

The required deposit for temporary or seasonal service and for service to weekend residences shall be sufficient to reasonably protect the Company against the risk assumed in providing such service.

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DEPOSIT POLICY

Re-establishment of Credit

SWEPCO will require every applicant for service to pay all unpaid balances before service is rendered.

Customers disconnected for nonpayment of bills will be required to pay all accounts due before service is restored. Customers disconnected for nonpayment may be required to make a deposit sufficient to cover two months of estimated annual billing before service is connected. Customers disconnected for meter tampering or bypassing of the meter will be required to pay all accounts due before service is restored. Electric energy consumed, but not metered, will be estimated by the Company based on amounts used by customer under similar conditions during preceding years. Where no previous usage history exists or is considered to be unreliable due to meter tampering or bypassing of the meter, consumption will be estimated by the Company on the basis of usage levels of similar customers under similar conditions.

Records of Deposit

SWEPCO maintains records to show:

(1) The name and address of the depositor
(2) The amount and date of the deposit
(3) Each deposit transaction

SWEPCO issues a receipt to the depositor and provides an affidavit form for the depositor to sign if the original receipt is misplaced.

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COLLECTION AND DISCONNECT POLICY

Due Date of Bills

The due date of the bill for electric service shall not be less than sixteen (16) days after issuance and a bill is delinquent if unpaid by the due date.

Discontinuation of Service

Service may be disconnected if the bill has not been paid within twenty-six (26) days from the date of issuance providing proper notice has been given. Proper notice shall consist of a mailing or hand delivery of a past due notice to the address to which the monthly bills are sent at least ten (10) days prior to a stated date of disconnection. The notice will state the date of disconnection and contain the words “disconnection notice” or similar language promptly displayed. T

A reconnect charge as set forth in the Company's Schedule of Fees and Charges for Miscellaneous Services will be made where Customer has been disconnected for nonpayment.

Electric service may be disconnected for any of the following reasons: (1) Failure to pay a delinquent account or make deferred payment arrangements by the date of disconnection; (2) failure to comply with the terms of a deferred payment agreement; (3) Violation of Company's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of nonstandard equipment, if Customer has first been notified and provided with reasonable opportunity to remedy the situation; (4) Failure to comply with deposit or guarantee arrangements; (5) Without notice where a known dangerous condition exists for as long as the condition exists; (6) Without notice where service is connected without authority by a person who has not made application for service; (7) Without notice where service was reconnected without authority after termination for nonpayment; or, (8) Without notice for tampering with Company's meter or equipment or bypassing the same. T

Electric service may not be disconnected for any of the following reasons: (1) Delinquency in in payment for service by a previous occupant of the premises; (2) Failure to pay for merchandise, or charges for non-utility service provided by Company; (3) Failure to pay for a different type or class of utility service unless fee for such service is included on the same bill; ; (4) Failure to pay charges arising from an underbilling occurring due to any misapplication of rates more than six months prior to the current billing; (5) Failure to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under the Company's Meter Policy, Sheet No. V-6; and, (6) Failure to pay an estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the Company is unable to read the meter due to circumstances beyond its control; and (7) Failure to pay disputed charges, except for the required average billing payment, until a determination as to the accuracy of the charges has been made by the Company or the Public Utility Commission of Texas and the Customer has been notified of this determination. T

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COLLECTION AND DISCONNECT POLICY

Unless a dangerous condition exists, or unless customer requests disconnection, service shall not be disconnected on holidays or weekends or the day immediately preceding a holiday or weekend unless personnel of Company are available on those days to take payments and reconnect service. T

Service to a Delinquent Residential Customer

Service to a delinquent residential customer permanently residing in a permanent individually metered dwelling unit will not be discontinued if such customer establishes that the discontinuance of service will result in some person residing at that residence becoming seriously ill or more seriously ill. Any such customer seeking to avoid the termination of service under this provision must have the attending physician call or contact the Company by the stated date of disconnection supported by a written statement from the physician Any postponement in the discontinuance of service resulting from this provision shall continue for a period of time agreed to by Company and Customer, such period not to exceed sixty-three (63) days from the date of issuance of the utility bill. The allowance of any postponement under this provision is contingent upon customer signing an deferred payment agreement which provides for payment of such service plus timely payments for subsequent monthly billings. T

Deferred Payment Plan

Any residential customer who has expressed an inability to pay all of his or her bill and has not been issued more than two (2) disconnection notices during the past twelve (12) months, may request to enter into and will receive a deferred payment plan with the Company. The Company, at its option, may also offer a deferred payment plan in other circumstances.

The deferred payment plan will be evidenced by a signed written agreement which provides that service will not be disconnected if the customer pays the current bills in their entirety, plus the balance of the outstanding bill in reasonable installments until the bill is paid. A one time penalty of five percent (5%) for late payment will be included in the deferred payment agreement. For purposes of determining reasonableness under this policy, Company will consider the following:

(a) Size of the delinquent account;
(b) Customer's ability to pay;
(c) Customer's payment history;
(d) (Length of time the debt has been outstanding;
(e) Reasons for the Customer's inability to pay the outstanding debt;
(f) Any other relevant factors concerning the circumstances of the Customer.

The written deferred payment plan will contain the following legend printed immediately preceding the space for Customer's signature in boldface print no smaller than 14 point size: T
“If you are not satisfied with this contract, or if agreement was made by telephone and you feel this contract does not reflect your understanding of that agreement, contact the utility immediately and do

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COLLECTION AND DISCONNECT POLICY

not sign this contract. If you do not contact the utility, or if you sign this agreement, you give up your right to dispute the amount due under the agreement except for the utility's failure or refusal to comply with the terms of this agreement."

If customer enters into a deferred payment agreement with Company and fails to comply with the terms of the agreement, constituting default on the part of the customer, Company has the right to disconnect service in accordance with the terms of this policy.

Equal Payment Plan

An Equal Payment Plan is available upon request to residential Customer or churches having T
established satisfactory credit and having a net average monthly billing of $10.00 or more. The purpose of this plan is to provide a means of budgeting or leveling monthly payment amounts on an annual basis to avoid extreme seasonal billing fluctuations. The Equal Payment Plan is not to be used to defer payment of delinquent bills. Company, by agreement with Customer, may accept T
payment for electric service in twelve (12) equal monthly payments to approximately equal the anticipated average of the next twelve (12) months billing for service. Monthly payments are determined by dividing annual billings plus a nominal growth factor by twelve. Annual billing is based upon actual history, if available, or from estimated use. Monthly payments are subject to review and quarterly adjustment, if needed, to break even at the end of each twelve (12) month period. Application may be made in person at Company's office or by mail or telephone. After Company accepts an application, Customer must sign an agreement before the plan becomes effective. The Agreement may be cancelled by either party upon notice to the other party. Failure to maintain a satisfactory credit rating may result in cancellation from the plan. Customer may not apply for Equal Payment Plan more than one time in a twelve (12) month period or in case of cancellation, the accumulated amount by which Customer's payments are more than or are less than the amount accumulated by monthly billings will be refunded or credited to Customer's account, upon request, or shall become due from Customer as of the date of cancellation or the date of the last bill rendered for the twelve (12) month period.

Average Monthly Payment Plan

An Average Monthly Payment Plan is available upon request to residential Customers or churches T
who do not have past-due accounts. The purpose of this plan is to provide a means of budgeting or leveling monthly payment amounts on an annual basis to avoid extreme seasonal billing fluctuations. The Average Monthly Payment Plan is not to be used to defer payment of delinquent bills.

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Company, by agreement with Customer, may accept an average payment amount for electric service that is based on the current month's billing, plus the eleven (11) preceding months, divided by twelve (12). At the next billing period, the oldest month's billing history is dropped, the current month's billing is added, and the total is again divided by twelve (12) to find a new average payment amount. In such instances where sufficient billing history is not available, an Average Monthly Payment Plan amount may be established by using an estimated average payment amount. When sufficient billing history (six months) has been attained, the system will automatically compute the new average payment amount based on actual billing history. T

The difference between actual billings and the averaged billings under the Average Monthly Payment Plan will be carried in a deferred balance that will accumulate both debit and credit differences for the duration of the Average Monthly Payment Plan year -- twelve (12) consecutive billing months. At the end of the Average Monthly Payment Plan year (anniversary month), the current month's billing, the eleven (11) preceding month's billing, and the net accumulated deferred balance will be summed, and the totals divided by twelve (12) to derive a new average for the new plan year. The deferred balance (debit or credit) is then applied to the billing amount due.

Settlement occurs only when participation in the plan is terminated . Settlement happens if an account is final billed, if the customer requests termination, or if terminated by the Company as a result of past-due amounts on an account. In the case of termination, the accumulated amount by which Customer's payments are more than or are less than the amount accumulated by monthly billings will be refunded or credited to Customer's account, or shall become due from Customer as of the date of termination or the date of the last bill rendered for the twelve (12) month period.

Disputed Bills

In the event of a dispute between Customer and Company regarding a bill for utility service, customer shall contact Company prior to the bill's due date and notify Company of the portion of the bill which is disputed and the grounds for such dispute. Upon notification of the dispute and customer's grounds therefor, Company will forthwith make such investigation as shall be required by the particular case and report the results thereof to customer. If the dispute is not thereby resolved, the Company will inform customer of the complaint procedures of the regulatory authority having jurisdiction over such service. Pending the completion of the determination of the dispute, Customer shall not be required to pay the disputed portion of the bill. T

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COLLECTION AND DISCONNECT POLICY

Retirement Plus Plan

The Retirement Plus Plan (Plan) is available to qualified residential customers who make application for the Plan. To qualify, the applicant must provide evidence to SWEPCO that he or she is in one of the following categories:

1) Age 62 or above and receiving Social Security, Governmental, Military, or other retirement income;
2) Receiving disability income; or
3) Receiving survivor's income.

Evidence of any of these can be supplied by providing one or more of the following:

1) Drivers license;
2) Birth certificate;
3) A copy of their check; or
4) A letter or other document to the recipient indicating that payment is being made.

The applicant also must be the SWEPCO customer of record at his or her address.

When a customer is placed on the Plan, his or her monthly electric bill will be due thirty (30) days after the date of the mailing of the bill. This time period is applicable irrespective of contrary wording concerning due dates which may be found elsewhere in these tariffs.

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EXTENSION POLICY

For Residential Customers in Undeveloped Areas

Southwestern Electric Power Company's (SWEPCO) philosophy is to extend facilities to provide service requested under the applicable rate schedule. If the anticipated continuing annual revenue, not including cost of fuel and tax adjustment charge, will not support the allocated portion of SWEPCO's investment in facilities to extend or provide service in undeveloped areas the following extension policy will apply.

When the revenue from the prospective customer(s) does not meet these estimated criteria, the Company will be authorized to collect a minimum bill which will be determined by such factors as: T
cost of extension (not including system investment and cost of meter), growth potential, future earnings, system improvements, terrain, geography and other considerations.

The customer will be billed for electric service made available hereunder on the published rate schedule applicable to the location. However, for the amount of investment determined by the Company, Customer agrees to pay to the Company a monthly minimum amount of 1/60th of the allocated portion of SWEPCO's investment, plus the cost of fuel and the tax adjustment charge as provided in the rate schedule for a period of five years from the date service is first made available to the customer from said extension. The Customer agrees to pay said minimum monthly amount to the Company. Customer further agrees to pay said minimum monthly amount even though it may be in excess of the amount specified in Company's applicable published rate schedule. If the premises served under this agreement are sold, leased, or rented, the customer nevertheless guarantees the payment of said minimum bill for said period, as provided above.

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For Underground Distribution Serving Residential Subdivisions

Refer to the Policy for Providing Residential Underground Electric Distribution Service (Schedule V-5).

For Industrial, Large Commercial and Loads Requiring an Unusual Amount of Investment

SWEPCO will own, install, operate and maintain the facilities required to supply the customer's electric requirements. Electric service will be furnished according to terms of a contract between the parties including the applicable rate schedule plus a provision which will provide:

In consideration of the determined investment in facilities by SWEPCO necessary to make electric service available, the customer agrees to pay to SWEPCO as a monthly minimum bill an amount sufficient to allow the Company to recover its operating, maintenance and depreciation expenses associated with providing service together with a return on the determined investment equal to the rate of return allowed by the Commission in the Company's last rate proceeding. The determined investment will include such factors as cost of extension (including system investment), growth potential, future earnings, system improvements, terrain, geography and other considerations.

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EXTENSION POLICY

Contribution in Aid of Construction

The customer may reduce the minimum bill requirement by making a contribution in aid of construction to reduce the determined investment.

Contributions in aid of construction that are considered taxable income by a governmental agency or body will be increased by the appropriate tax rate.

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POLICY FOR PROVIDING RESIDENTIAL UNDERGROUND ELECTRIC DISTRIBUTION SERVICE T

I. SCOPE

This policy applies to installation of residential underground electric distribution systems where feasible from engineering, operation, and economic standpoint to serve. Underground Electric Distribution (UED) and similar phrases include not only electric facilities that are actually located underground, but also above ground which may be necessary to provide service to the customer. All underground electric distribution facilities to be constructed to meet company specifications.

II. DEFINITION OF TERMS

A. For purposes of this policy the following abbreviations and definitions shall prevail:

1. Underground (US) Service -- Customer owned, maintained and installed underground service conductors, sometimes installed in a raceway, that extend from the Customer's meter to the point of delivery, where connection is made to Company's distribution system. The Developer/Builder/Customer will install and maintain the individual underground service from SWEPCO's underground electric distribution equipment to the Customer's meter.

2. Overhead (OH) Service Drop -- Company owned and installed overhead service drop conductors that extend from the Company's overhead distribution system to the point of delivery, where connection is made to Customer's electrical installation.

3. Point of Delivery -- The point of delivery of electric service shall be the point at which the electrical facilities of the Company connect to the electrical facilities of the Customer.

a) For Overhead construction, the point of delivery is that point where the Company owned and installed OH Service Drop connects to the Customer owned service entrance wires which are located at the customer's weatherhead. The Customer owned service entrance wires are connected by the customer to the source side of the meter socket and runs along the customer owned and installed service entrance raceway. The Service Entrance conductors extend out the weatherhead approximately 2 - 3 ft.

b) For Underground construction, the point of delivery is that point where the Company owned distribution UED secondary facilities connect to the Customer owned and installed UED Service. The customer owned UED service is connected by the customer to the source side of the meter socket

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and runs underground from the Customer's meter location to the Company owned UED distribution facilities.

4. SWEPCO - Southwestern Electric Power Company (Company) T

5. Developer – A person, partnership, association, corporation, or governmental agency that owns, operates, or develops a subdivision or mobile home park, commercial development, business park, or industrial park.

6. Builder – A person, partnership, corporation or others that contract to perform work to construct buildings.

7. Customer – A Developer, individual, firm, organization or others subscribing to the services of SWEPCO.

8. Service Connections – The electrical facilities of the underground system installed, maintained and owned by developer extending from SWEPCO's secondary connection on the distribution system to the point of metering, but not including the meter(s). This would consist of the underground cable from customer's entrance equipment to SWEPCO's secondary pedestal or transformer.

9. Primary - That portion of the distribution system which delivers energy to the primary (high voltage) side of the distribution transformer from the substation or point of supply. -

10. Secondary - That portion of the distribution system which distributes the energy from the secondary (low voltage) side of the distribution transformer to the customers' service connection points at utilization voltage.

11. Lot - A parcel of land intended to (according to the subdivision plat) accommodate a single family home. N

12. Subdivision – A subdivision is the development and division of a lot, tract, or parcel of land into two or more lots, plats, sites, or otherwise for the purpose of establishing or creating a subdivision through sale or lease. Development includes, but is not limited to, the design work of lot layout, the construction of drainage structures, the construction of homes or public use areas, the planning and construction of private or public streets and roads, and the placement of public utilities, which has been approved and is filed on record with the county commission or like governing body. N

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13. Standard Underground Distribution Subdivision – See "Conditions of Service" Section III. A. N

III. CONDITION OF SERVICE

A. SWEPCO will install, at no cost to the Customer /Developer, single phase, 3 wire at a nominal voltage of 120/240, front lot (roadside) underground (non-subsurface) distribution facilities in subdivisions where the underground single phase loop will start and end at overhead distribution lines or where there is an existing underground point of connection to accommodate the loop. The average lot road frontage will not exceed 225 feet and individual lot size will not exceed one (1) acre. The Developer must provide private right-of-way on the front lot lines that is contiguous to the roadway that is approved by the SWEPCO. A subdivision meeting the requirements described in this paragraph will be known henceforth as a "Standard Underground Distribution Subdivision." C

B. UED will be made available in SWEPCO's service area where feasible from engineering, operation, and economic standpoint. Customer will pay to Company prior to installation a contribution in aid to construction (CIAC), grossed up for taxes, for all costs in excess of the cost of overhead electric distribution facilities. The terms and conditions of the Company's Extension Policy (Sheet V-3) apply as necessary. The cost estimate for all facilities provided, installed, owned, and maintained by the Company will include:

1. Material cost (purchased and stores) except for commercial/industrial customers who will provide the conduit to meet company specifications;

2. Labor costs (Company and Contract);

3. Transportation cost;

4. Trenching (including backhoeing and boring) except for Commercial/Industrial customers who will provide all trenching and backfilling to meet Company specifications.

5. Right-of-way clearing, purchase, and acquisition;

6. Permanent Work Orders (PWO's) (where applicable) and overheads (exempt material);

7. Stores, Freight, and Handling;

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8. Administrative & General costs; and

9. Engineering & Supervisory costs.

Terms applying to SWEPCO's North Texas service territory are shown in Paragraph IV below. T

IV. SWEPCO North Texas Service Territory T

Underground service will be provided in SWEPCO's North Texas service territory under the terms of SWEPCO's Extension Policy (Sheet V-3) and in accordance with specifications outlined in the appropriate Underground Electric Distribution Contract with the following exceptions: T

1. Service cables, up to ninety (90) linear feet, will be installed by the Company in service conduits provided by the customer. T

2. Trenching, to accommodate the service cable, will be supplied by the customer. T

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METER POLICY

Meter Testing

Company carefully calibrates, maintains and tests its meters in an approved manner. Upon the request of Customer, and, if he so desires, in his presence or in that of his authorized representative, Company shall make a test of the meter accuracy without charge. The test shall be made during Company's normal working hours at a time convenient to Customer if he desires to observe the test. The test shall preferably be made on Customer's premises, but may, at Company's discretion, be made at Company's test laboratory. If the meter has been tested by Company, or by an authorized agency, at Customer's request, and within a period of four years Customer requests a new test, Company shall make the test, but if the meter is found to be within the accuracy standards established by the American National Standards Institute, Inc., Company may charge Customer the fee set forth in the Company's Schedule of Fees and Charges for Miscellaneous Services. Following the completion of any requested test, Company shall promptly advise Customer of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

Bill Adjustment Due to Meter Error

If any meter is found to be outside of the accuracy standards established by the American National Standards Institute, Inc., proper correction shall be made of previous readings for the period of six months immediately preceding the removal of such meter from service for test, or from the time the meter was in service since last tested, but not exceeding six months, as the meter shall have been shown to be in error by such test, and adjusted bills shall be rendered. No refund is required from Company except to the Customer last served by the meter prior to the testing. If a meter is found not to register for any period, unless bypassed or tampered with, Company shall make a charge for units used, but not metered, for a period not to exceed three months based on amounts used under similar conditions during period preceding or subsequent thereto, or during corresponding period in previous years.

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METER POLICY

Meter Test Program

The Company tests its meters according to the following schedule:

Meter Description	Test Frequency
All Residential	Random Sample
All Singlephase SC with Demand (KW)	Random Sample
Polyphase SC with mechanical KW	6 years
Polyphase SC electromechanical KWH only or with electronic register	16 years
Polyphase SC electronic meters	16 years
Transformer Rated meters	16 years

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SERVICE REFUSAL POLICY

The Company may decline to serve an applicant until such applicant has complied with the applicable state and municipal regulations and approved rules and regulations of the Company governing the service applied for or for the following reasons:

(1) Applicant's facilities inadequate: If the applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given; or

(2) Violation of Tariffs: The applicant fails to comply with SWEPCO's tariffs pertaining to operation of nonstandard equipment or unauthorized attachments which interfere with the service of others. SWEPCO shall provide the applicant notice of such refusal and afford the applicant a reasonable amount of time to comply with SWEPCO's tariffs. T

(3) Failure to pay guarantee: The applicant has acted as a guarantor for another customer and failed to pay the guaranteed amount, where such guarantee was made in writing to SWEPCO and was a condition of service. T

(4) Intent to deceive: The applicant applies for service at a location where another customer received, or continues to receive, service and the SWEPCO bill is unpaid at that location, and SWEPCO can prove the change in identity is made in an attempt to help the other customer avoid or evade payment of a SWEPCO bill. An applicant may request a supervisory review as specified in §25.30 of the Substantive Rules of the Public Utility Commission of Texas if SWEPCO determines that the applicant intends to deceive SWEPCO and refuses to provide service. T

(5) For indebtedness: If the applicant owes a debt to any electric utility for the same kind of service as that requested; provided however, that in the event the indebtedness of the applicant for service is in dispute, the applicant shall be served upon complying with the deposit requirement set forth in the Company's Deposit Policy. T

(6) Refusal to make deposit: For refusal to make a deposit if applicant is required to make a deposit under provisions of the Company's Deposit Policy. T

In the event that the Company refuses to serve an applicant under the provisions of this policy, the Company will inform the applicant of the basis of its refusal and that the applicant may file a complaint with the Public Utility Commission of Texas thereon.

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SERVICE REFUSAL POLICY

The Company shall not refuse service for the following reasons:

(1) Delinquency in payment for service by a previous occupant of the premises to be served;

(2) Failure to pay for merchandise, or charges for non-utility service purchased from the Company;

(3) Failure to pay a bill that includes more than the allowed six months of underbilling, unless the underbilling is the result of theft of service; or T

(4) Failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill. T

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GUIDE FOR FURNISHING METER DATA PULSES TO CUSTOMERS ELECTRIC DEMAND CONTROL EQUIPMENT

SWEPCO is agreeable to providing meter data pulses for those customers requesting this service for operation of electric demand control equipment on the following basis.

SWEPCO is willing, as an accommodation, to supply appropriate meter data to customer after it has demonstrated to SWEPCO's satisfaction that it has the capability of using such pulses for the purposes of demand control or energy conservation.

SWEPCO agrees to install the necessary facilities to provide the requested services subject to the following terms and conditions which are in addition to the contract for electric service.

Customer shall submit a plan describing the equipment to be installed, a list of customer's loads to be controlled or cycled, expected load reductions, and expected energy reductions. This information must be reviewed and approved by SWEPCO prior to installation of any equipment, or connection to SWEPCO's metering facilities.

SWEPCO's approval of the customer's plan for the use of the equipment shall not be construed as confirming or endorsing the design or effectiveness of the equipment or the customer's plan for use of the equipment for actually reducing demand or energy usage, or as any warranty of the safety, durability or reliability of the equipment or the plan for its use.

Customer shall pay to SWEPCO a non-refundable contribution prior to installation representing SWEPCO's expenses to furnish and install special isolation relay(s), any special metering facilities, protective devices and associated wiring connected to SWEPCO's metering facilities, all of which are referred to as Relay System, which will supply meter pulses to customer's equipment. No circuit for the customer's use shall be connected directly to SWEPCO's metering potential or current transformers. In addition to the above there will be a monthly facilities maintenance charge of 0.69% of the installed cost. I

SWEPCO and customer shall determine a mutually acceptable location for connection to the Relay System. Customer shall provide termination and protective equipment suitable to SWEPCO.

If customer's load or service requirements change to the extent that SWEPCO's metering facilities must be changed, any additional costs to SWEPCO necessary to change the Relay System in order to continue to supply meter pulses will be paid to SWEPCO by customer.

The reliability of the customer's equipment is entirely the responsibility of the customer. The interruption of pulses for any reason to the customer's equipment such as meter tests, or the failure or malfunction of the customer's equipment shall in no way nullify the validity of SWEPCO's meter readings or recordings for billing purposes.

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If at any time, the supply of metering data pulses through the operation of the Relay System becomes detrimental to reliable metering or to SWEPCO's metering practices, SWEPCO shall have the right to disconnect the Relay System or any portion of Relay System from its metering facilities until repairs or corrections can be made.

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(1) The Customer shall meet all Company requirements for interconnection equipment including metering requirements (to be determined by the Company on a case by case basis) and shall submit specifications for such equipment, drawings, and one-line diagrams to the Company for review. The Company's review of Customer's specification shall not be construed as confirming or endorsing the design or as any warranty of safety, durability or reliability of the facility or equipment.

(2) The Customer's generation and electrical facilities shall be installed, operated, and maintained by the Customer at all times in conformity with good electrical practice and shall comply with the National Electrical Code, the National Electrical Safety Code, any applicable local codes, and applicable Company service standards.

(3) The Company will specify the location, phase, voltage, and power factor requirements for Customer's interconnection.

(4) The Customer shall own and maintain at his own expense protective devices necessary for the protection of Customer and Company's personnel, equipment, and service as well as the protection of the general public. These protective devices shall be included but are not limited to the following functions:

a. To automatically disconnect Customer facilities when Company's service is interrupted;
b. To prevent interconnection with Company's System when Company's supply is deenergized;
c. To protect equipment and personnel during synchronization and interconnection with Company's system;
d. To isolate and protect Customer's equipment when his generating equipment is not running.

(5) The Customer shall install, own, and maintain a disconnecting device accessible and operable by Company personnel at all times at a location specified by the Company.
The Company shall have the right to disconnect and lock-out Customer with due notice as a result of the following:

a. At any time service is discontinued under these Terms and Conditions of Service;
b. If the Customer refuses to provide the Company reasonable access to the disconnecting device or Company's equipment upon Customer's premises;
c. Violation of any rule or regulation of the Public Utility Commission of Texas or non-compliance with any applicable federal, state, municipal or other local laws, rules or regulations;

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d. Violation of or non-compliance with an approved contract, applicable rate schedule including Purchased Power Service and Standby Service Rate Schedule or these Terms and Conditions;
e. Failure of the Customer to make application for purchase;
f. When Company has determined that harmonics are being produced or other factors are present which interfere with communications or otherwise cause degradation of service to other customers.
g. When required under Item (7)

The Company shall have the right to disconnect and lock-out customer without notice due to the following:
a. Existence of a dangerous or defective condition of wiring or equipment on Customer's premises;
b. Sale of electricity;
c. Tampering with the Company's regulating and measuring equipment or other property;
d. For safety of Company personnel during unscheduled repairs of Company's lines and equipment.

The Company may discontinue purchase for non-payment of a utility bill, net of purchases, in the same manner as for electric service.

(6) The Customer shall change its facility or equipment as may be required by the Company to meet changes in the transmission and distribution system. The Customer will be given a reasonable notice by the Company prior to requesting changes in the Customer's facilities.

(7) The Company may require the Customer to interrupt or reduce deliveries of energy if it determines that interruption or reduction is necessary because of emergencies or forced outages, or if the purchase from the Customer will result in costs greater than those which the Company would incur if it did not make such purchases, but instead generated an equivalent amount of energy itself. The Company shall give reasonable prior notice to the Customer in time for the Customer to cease delivery of energy to the Company. The Company may require the Customer to interrupt or reduce deliveries of energy so that the Company can construct, install, maintain, repair, replace, remove, investigate, or inspect any part of its transmission and distribution system related to the purchase of power from the Customer, but will make a reasonable effort to coordinate such interruptions or reductions with the Customer.

(8) The Customer will install, own, operate and maintain all necessary interconnection facilities between the generator and the point of interconnection with the Company. The Company will perform all work relating to the actual connection and any necessary additions or reinforcements to the Company's system. The meters required to record power deliveries to the

TERMS AND CONDITIONS FOR PURCHASE BY THE COMPANY OF ELECTRICITY APPLICABLE TO RATE SCHEDULE PURCHASED POWER SERVICE (PPS)

Company will be furnished and maintained by the Company. Company will furnish all meter and transformer boxes to be installed by the Customer on Customer's equipment.

(9) Meters will be tested as reasonably necessary. If the meter or meters are found to be in error more than 2%, proper adjustment in billing will be made for the period during which the meter was in error. Should Company's meters fail to register, the amount of electricity delivered to Company will be estimated on the basis of the best available information, or upon Customer's meters when installed. The Customer will protect the Company's property on the Customer's premises from loss or damage and will permit no one who is not an agent of the Company to remove or tamper with the Company's property.

The Company will have the right of access to the Customer's premises at all reasonable times for the purpose of installing, reading, inspecting, or repairing any meters or devices owned by Company or for the purpose of removing its property.

(10) The Company shall have the right to require a Customer with generating facilities to give the Company reasonable prior notice of any scheduled curtailment or reduction and its probable duration and Company shall have the right to require notification to the Company immediately of any complete or partial outage of power production facilities.

(11) The Customer operating electric generating equipment shall not connect it in parallel with the Company's system without the written consent of the Company.

(12) The customer shall agree to indemnify the Company, its agents, representatives and its employees against liability for any injuries or damages caused by the operation of the Customer's equipment or by any failure of the Customer to maintain his equipment in satisfactory and/or safe operating condition.

(13) The Customer shall maintain liability insurance including contractual liability insurance covering indemnity agreements which insures Customer against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with the installation, operation and maintenance of the Customer's generating equipment. The amount of such insurance coverage shall be at least $500,000 per occurrence. Customer shall furnish a certificate from Customer's insurance carrier showing that it has complied with the provisions of this section and providing that the insurance policy will not be changed or canceled during its term without written 30-day notice to Company. Renewal certificates shall be furnished prior to expiration date of existing certificate.

(14) The Company may install, at its expense, on the Customer's premises load research metering.

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(15) The Customer shall notify the Company before the initial energizing and start-up testing of the Customer-owned generator and the Company shall have the right to have a representative present at such test.

(16) The Customer will not sell electricity generated to any other customer, company, or person and will not deliver electricity to any connection wherein said electricity is to be used off of the Customer's premises on which the meter is located.

(17) The Company shall have the right to install and maintain equipment in, over, and under the Customer's property and shall have access to the Customer's premises for any other purpose necessary for purchasing electricity from the Customer. In case the Customer is not the owner of the premises or of the intervening property between the premises and the Company's lines, the Customer will obtain from the property owner or owners the easements or right-of-way necessary to install and maintain in, over, or under said premises all such wires and electrical equipment as are necessary or convenient for purchasing electricity from the Customer.

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TERMS AND CONDITIONS FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION

(1) The Customer shall submit to the Company for review, specifications for interconnection equipment, including drawings, and one-line diagrams. The Company's review of Customer's specification shall not be construed as confirming or endorsing the design or as any warranty of safety, durability or reliability of the facility or equipment.

(2) Each party shall be responsible for obtaining all permits, licenses, and authorizations, for operating its own facilities and each party shall in no way be responsible for failure of the other to obtain such permits, licenses, or necessary authorizations, or comply with any applicable federal, state, or local laws. Each party shall cooperate with the other in obtaining any such permits, licenses, or authorizations necessary for operation.

(3) The Customer’s generation and electrical facilities shall be installed, operated, and maintained by the Customer at all times in conformity with good electrical practice and shall comply with the National Electrical Code, the National Electrical Safety Code, any applicable local codes, applicable Company service standards included in the requirements of the Contract, these Terms and Conditions, and in accordance with the electrical diagram for electric power purchase included as Appendix B to the Contract between Company and Customer.

(4) The Customer shall own and maintain at its own expense any protective devices not provided by the Company that are necessary for the protection of Customer and Company's personnel, equipment, and service as well as the protection of the general public. These protective devices shall perform at least the following functions:

a. Automatic disconnection of Customer facilities from Company's facilities when Company's service is interrupted;
b. Prevention of interconnection with Company's System when Company's supply is deenergized;
c. Protection of equipment and personnel during synchronization and interconnection with Company's system;
d. Isolation and protection of Customer's equipment when its generating equipment is not running.

(5) The Customer shall install, own, and maintain a disconnecting device accessible at all times and operable by Company personnel at a location specified in Appendix C to the contract between Company and Customer. The Company shall have the right to disconnect and lock-out the Customer with ten days written notice by certified mail as a result of any of the following, with the exception of "b" which shall require only reasonable notice:

a. When harmonics are being produced or other factors are present which interfere with communications or otherwise cause degradation of service to other Company customers;

TERMS AND CONDITIONS FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION

b. When required under Section (7);
c. For non-payment of charges due and payable under this contract.

The Company shall have the right to disconnect and lock-out Customer without notice due to the following:

a. Existence of a dangerous or defective condition of wiring or equipment of Customer's premises;
b. Tampering with the Company's regulating and measuring equipment or other property;
c. For safety of Company personnel during emergency repairs of Company's lines and equipment;
d. System emergencies or forced outages on the Company's system.

(6) The Customer shall change its facility or equipment as may be required by the Company to meet changes in the transmission and distribution system. The Customer will be given a reasonable notice by the Company prior to requesting changes in the Customer's facilities. The Customer shall have the option to terminate the contract rather than to make such changes or petition the Commission for a proper determination of the changes which the Customer will be required to make.

(7) The Company may require the Customer to interrupt the customer-owned generation so that the Company can construct, install, maintain, repair, replace, remove, investigate, or inspect any part of its transmission and distribution system but will make a reasonable effort to coordinate such interruptions with the Customer. The Company shall give reasonable prior notice to the Customer in time for the Customer to interrupt the customer-owned generation.

(8) The customer will install, own, operate and maintain all necessary facilities between its generator and the point of interconnection with the Company. The interconnection facilities and point of interconnection shall be as described in Appendix C of the contract between Company and Customer. The Company will perform all work relating to the actual connection and any necessary additions or reinforcements to the Company's system. The meters required to record power deliveries to the Customer will be furnished and maintained by the Company. Company will furnish all meter bases and/or metering enclosures to be installed by the Customer on Customer's equipment.

(9) Meters will be tested as reasonably necessary. If the meter or meters are found to be in error more than 2%, proper adjustment in billing will be made for the period during which the meter was in error. The Customer has the right to install check meters. The Customer will take all reasonable steps to protect the Company's property on the Customer's premises from loss or damage and will permit no one who is not an agent of the Company to remove or taper with the Company's property.

TERMS AND CONDITIONS FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION

(10) The Company shall have the right to require a Customer with generating facilities to give the Company reasonable prior notice of any scheduled curtailment or significant reduction and its probable duration, and Company shall have the right to require notification as soon as reasonably possible of any complete or partial outage of the Customer's power production facilities.

(11) The Company and Customer shall each be responsible for the safe installation, repair and condition of their respective lines and appurtenances on their respective side of the Point of Delivery. The Company and Customer will each protect and indemnify the other (including its corporate affiliates, parent, subsidiaries, directors, officers, employees and agents) from and against any liability or loss (including reasonable expenses and attorneys' fees) because of bodily injury or property damage arising out of the Company's or Customer's respective responsibilities as stated herein; except that neither shall be obligated to indemnify the other for injury or damage to the extent such injury or damage is caused by the negligence of the other party. This provision is for the sole benefit of the parties hereto and is not intended and shall not be construed to confer any rights or benefits on any third party.

Customer shall not energize and interconnect to the Company's lines through operation of equipment within the Customer's control without advance notice to and approval by the Company's dispatcher as designated by the Company. Such approval may be requested and received by telephone and will not be withheld unless for safety, contract provisions, or abnormal operating conditions on the Company's system.

(12) The Customer shall maintain liability insurance, including contractual liability insurance, covering indemnity agreements which insures Customer against all claims for property damage and for personal injury or death rising out of, resulting from or in any manner connected with the installation, operation, ownership, and maintenance of the Customer's generating equipment. The amount of such insurance coverage shall be at least $1,000,000 per occurrence. Customer shall furnish a certificate from Customer's insurance carrier showing that it has complied with the provisions of this section and providing that the insurance policy will not be changed or canceled during its term without written 30 day notice to Company. Renewal certificates shall be furnished prior to expiration date of existing certificate.

(13) The Company may install, at its expense, on the Customer's premises load research metering.

(14) The Customer shall notify the Company before the initial energizing and start up testing of the Customer-owned generator, and the Company shall have the right to have a representative present at such test.

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(15) The Company shall have the right to install and maintain equipment in, over, and under the Customer's property as provided by easement as shown in the drawings and diagrams in Appendix C to the contract between Company and Customer and shall have access to the Company's property on the Customer's premises.

If the Customer is a Qualified Facility (QF), the following additional terms and conditions shall apply:

(16) The Company shall have the right to disconnect and lock-out QF with ten days written notice by certified mail as a result of loss of status as a Qualified Facility.

The Company may require the QF to interrupt or reduce deliveries of energy during any period which, due to operational circumstance, the purchase from the QF will result in costs greater than those which the Company would incur if it did not make such purchases, but instead generated an equivalent amount of energy itself; provided, however, this provision does not override contractual obligations of the Company to purchase from the QF. The Company shall give reasonable prior notice to the QF in time for the QF to interrupt or reduce delivery of energy to the Company.

(18) Should Company’s meters fail to register the amount of electricity delivered to Company, such deliveries will be estimated on the basis of the best available information, or upon registration of QF’s meters if installed. The QF has the right to install check meters.

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RETAIL ELECTRIC SERVICE SWITHOVERS

A request to switch service to a consuming facility to another utility that has the right to serve the facility shall be handled pursuant to Public Utility Commission of Texas Substantive Rule §25.27, a copy of which will be provided upon request.

Base Charge: $200.00

Base Charge Adder: $100.00

The above Base Charge and Base Charge Adder apply to any switching retail customer receiving service at or below 480 volts except as provided for below.

In the event the Commission approves a new switchover cost recovery methodology for customers served at or below 480 volts and using transformer rated metering equipment, the above charges will be reduced to $175.00 and $47.50 respectively, and for customers served at or below 480 volts and using transformer rated metering equipment, the charge shall be as specified by the Commission.

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CHECKLESS PAYMENT FORM

Tear along perforated line, moisten, fold and seal.

Automatic Bill Payment Authorization Agreement for Pre-arranged Payments (Debits)

I (We) authorize AEP* to instruct my (our) financial institution to make my (our) payments from the account listed below. This authority is to remain in full force until I (We) give notification of termination in such manner as to afford AEP and my (our) financial institution a reasonable opportunity to act on it. In addition, I (We) may stop payment of a charge up to three (3) business days before the payment date by notifying AEP. AEP will provide the customer with a minimum of ten (10) days written notice of any amount to be debited before the account is charged. I understand that both AEP and my (our) financial institution reserve the right to terminate this payment plan or my (our) participation in it at any time.

REQUIRED INFORMATION

Name (as shown on bill) / *Date*

Electric Service Location Address / *City* / *State*

Signature (must be authorized signer for the bank account) / *Phone* / *Zip*

Account Information (Bank, Savings Institution, Credit Union)

Name of Financial Institution

⑆ ☐☐☐☐☐☐☐☐☐ ⑆ *Type of Account:* ☐ *Checking* ☐ *Savings*

Routing Number: Enter the 9 digits between these symbols

Bank Account Number

AEP Electric Account Number (as it appears on your bill)

** "AEP" means the subsidiary(ies) of American Electric Power Company, Inc. or the AEP operating unit which provides your electric service. The name of the AEP operating unit which serves you appears on your bill.*

DO NOT ENCLOSE PAYMENT — DO NOT WRITE COMMENTS ON THIS FORM — CALL THE NUMBER ON YOUR BILL FOR QUESTIONS OR COMMENTS

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GUARANTOR AGREEMENT

I, the undersigned, do hereby state I will be responsible for charges for electric service used by the above named customer at the address shown. Should the customer pay all charges on a timely basis for the next 12 months, this guarantee will be voided and I will be so notified. I hold myself responsible for all charges up to, but not in excess of $_____ (not to exceed the deposit requirement), should the customer fail to pay any final amounts due.

This Agreement can only be cancelled if I notify American Electric Power in writing at least 30 days in advance of the cancellation date and after the customer has paid the required deposit.

Guarantee For: _____(name)_____
_____(address line1)_____
_____(address line 2)_____
_____(account number)_____

Guarantor: _____(name)_____
_____(address line1)_____
_____(address line 2)_____

GUARANTOR ACCOUNT NUMBER: _____ (if applicable)

PHONE NUMBER: _____

GUARANTOR SIGNATURE: _____

DATE: _____

ACCEPTED BY: _____ (office approval)

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AMERICAN ELECTRIC POWER
OWNER/AGENT AGREEMENT CONTRACT

I (We), _____, being the Owner (s) or Rental Agent(s) for the units listed on the attached Exhibit, desire American Electric Power to provide continuous service to these locations during unoccupied periods subject to the following mutual agreement:

1. Owner/Agent agrees and accepts charges for all electric service during the period service is in Owner/Agent's name.

2. American Electric Power agrees to continue service at the locations and to transfer the billing responsibility to the Owner/Agent during unoccupied periods.

3. It is mutually understood and agreed that this agreement extends service to the units only during unoccupied periods, but does not extend to said units for disconnection of service due to non-payment by a tenant or Owner/Agent.

4. It is further understood and agreed that when, by operation of this agreement, service is continued and the billing responsibility is transferred to the Owner/Agent, such billing will remain in the name of the Owner/Agent until American Electric Power is otherwise notified.

5. The agreement will be binding immediately upon implementation of same by American Electric Power.

(Please verify that all information shown below is correct. If not, indicate changes as necessary.)

Agreement Account Number: _____ Division/Area: _____

Owner/Agent Name: _____

Owner/Agent Agreement Number: _____

Owner/Agent Effective Date: _____

Telephone Number: _____

Mailing Address: _____

_____

Owner/Agent Signature: _____

On behalf of (full corporate name, if applicable): _____

List all corporate trade names or any d/b/a: _____

Corporate Title/Position of Owner/Agent (if applicable): _____

Federal Tax ID Number: _____ or SS Number: _____

Date: _____

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CONTRACT FOR ELECTRIC SERVICE

Form 702-L
Rev. July 2002

This contract cancels and supersedes previous contract with (name, date, contract number):

Southwestern Electric Power Company
CONTRACT FOR ELECTRIC SERVICE
TEXAS

Contract Number:

_____ hereinafter called "Customer", and Southwestern Electric Power Company, hereinafter called "Company", enter into the following contract:

The Company will sell and deliver to the Customer at _____ and the Customer will receive and pay for electric service for a period of 1 years beginning_____, and thereafter, in automatically recurring yearly periods, unless and until terminated at the end of any yearly period by 30 days prior written notice from either party to the other. Electric service will be delivered and received hereunder in accordance with the standard Terms and Conditions which are attached and made a part of this contract, and Customer agrees to observe and be bound by them.

Electric service delivered by the Company to the Customer will be . wire, phase, 60 cycle, alternating current at a nominal voltage of _____ volts, in the amount of approximately__ kW, and will be metered at _____ volts.

The Customer will use such electric service in the operation of _____ and will be billed and will pay for this service in accordance with the rate schedule attached to this contract and made a part hereof.

The following rate schedule and any special terms are applicable to this contract: _____

In consideration of the investment on the part of the Company to make electric service available under this contract, the minimum monthly billing provision of the aforementioned rate schedule applies, but will not be less than the charge for plus the fuel and tax adjustment clauses provided in the rate schedule.

In the event a new or revised rate schedule applicable to service under this contract is authorized and made effective by the duly constituted regulatory authority or authorities having jurisdiction in the premises, which said rate schedule supersedes or modifies the rate schedule which is attached to this contract, then from and after the date upon which said new or revised rate schedule becomes authorized and effective, electric service to Customer will be billed and Customer will pay for such service in accordance with such new or revised rate schedule.

If Customer fails to perform any of his obligations under this contract, including the prompt payment of monthly bills, or fails to observe or comply with any of the attached Terms and Conditions, the Company may suspend delivery of electric service and will not be liable in any manner for loss or damage arising through such suspension. No such suspension will interfere with the enforcement by the Company of any other legal right or remedy nor relieve the Customer from liability to pay the minimum charge during any suspension. No delay by the Company in enforcing any of its rights hereunder will be deemed a waiver of such rights nor will waiver by the Company of any default by Customer be deemed a waiver of any other or subsequent default.

The Customer will indemnify and save the Company harmless from all loss on account of injury or damage to persons or property on the Customer's premises, and at and from the point of delivery of power if such point is located off the Customer's premises, growing out of any accident or mishap relating to the electric service provided by the Company to the Customer hereunder, other than any such injury or damage growing out of the gross negligence or willful misconduct of the Company or any employee or agent of the Company.

This agreement may be assigned by the Customer only with the written consent of the Company. This contract will bind and benefit the successors and assigns of the Company, and, at the option of the Company, the successors and assigns of the Customer. This contract supersedes all prior agreements between the Customer and the Company for the service specified herein.

In witness whereof, the parties hereto have caused this contract to be executed on (X) _____, 20____.

Customer _____

By (X) _____
(For the Customer)

Witness (X) _____

_____
Official Capacity
SOUTHWESTERN ELECTRIC POWER COMPANY

Witness (X) _____
(For the Company)

By (X) _____

Official Capacity _____

SOUTHWESTERN ELECTRIC POWER COMPANY

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CONTRACT FOR ELECTRIC SERVICE

(BACK)

TERMS AND CONDITIONS

See Company's Standard Terms and Conditions. T

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RIDER TO CONTRACT FOR ELECTRIC SERVICE

RIDER TO CONTRACT

BY AND BETWEEN

_____

AND

SOUTHWESTERN ELECTRIC POWER COMPANY

DATE OF CONTRACT _____

The Company recognizes that continuity of electric service is essential to the Customer's operation, and is agreeable to recognizing the installation of a _____ kilowatt engine generator, for standby use, as an exception to the Exclusive Service clause of this contract.

It is understood and agreed that the generator is to be used only in the event the Company's service is not available, except for monthly test periods not to exceed three hours.

It is also understood and agreed that the Customer's generator will at no time be operated in parallel and/or synchronism with Company's system.

IN WITNESS THEREOF, the parties hereto have caused this instrument to be executed on

_____, _____.

WITNESS:

_____ BY _____
(For the Customer)

_____
(Official Capacity)

WITNESS: SOUTHWESTERN ELECTRIC POWER COMPANY

_____ BY _____
(For the Company)

_____
(Official Capacity)

SOUTHWESTERN ELECTRIC POWER COMPANY

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ELECTRIC SERVICE LINE EXTENSION AGREEMENT

Form 200 Rev. 0807
AR, LA & TX

Southwestern Electric Power Company

Account Number
_____

_____
(Town)

ELECTRIC SERVICE LINE EXTENSION AGREEMENT

STATE OF _____
COUNTY/PARISH OF _____

THIS CONTRACT AND AGREEMENT, made and entered into this _____ day of _____, 20_____, by and between SOUTHWESTERN ELECTRIC POWER COMPANY, hereinafter called "Company," and _____, hereinafter called "Customer;"

WITNESSETH, That

WHEREAS, Customer is desirous of obtaining an extension of Company's electric line a distance of approximately _____ feet to serve Customer located at _____

; and,

WHEREAS, there are not now sufficient customers to be served by said extension to yield Company a fair return on the investment necessary to construct said extension, and said extension could not be justified or required except for this agreement, and,

WHEREAS, Company is willing to make such extension upon the terms and conditions hereof;

NOW, THEREFORE, the parties hereto agree as follows:

EXTENSION

The Company will extend its electric line approximately _____ feet from the terminal of its present line to provide service to Customer. The terminal of Company's present line is located at _____.

The character of the construction of this line will be determined by the Company.

REVENUES

The Customer will be billed for electric service made available hereunder on _____ rate schedule. However, on account of the amount of investment made by the Company in constructing this line, Customer agrees to pay to the Company a minimum amount of $ _____ per month plus the fuel adjustment charge and the tax adjustment charge as provided in the rate schedule for a period of _____ years from the date service is first made available to the Customer from said line. The Customer agrees to pay said minimum monthly amount to provide Company with sufficient revenue to support the unusual amount of investment required to provide service desired by Customer. Customer further agrees to pay said minimum monthly amount even though it be in excess of the amount specified in Company's applicable published rate schedule. If the premises served under this Agreement are sold, leased, or rented, the Customer nevertheless guarantees the payment of said minimum bill for said period, as provided above.

TITLE AND OWNERSHIP

The Company will at all times have title to and complete ownership and control of said extension and will have the right to use the extension for the purpose of serving other customers beyond or from such extension. In no event will there be any refund due Customer, nor will any additional revenues from additional customers connected to said extension relieve the Customer of his guarantee of said minimum amount per month for a period of _____ years from the date of this agreement.

WITNESSES:

_____
(For the Company)

_____
(For the Customer)

SOUTHWESTERN ELECTRIC POWER COMPANY

By _____
Company Official

_____
Customer

Mailing Address:

_____

SOUTHWESTERN ELECTRIC POWER COMPANY

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Section Title: Service Rules and Regulations
Section No: V
Applicable: Residential
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RESIDENTIAL UNDERGROUND ELECTRIC DISTRIBUTION CONTRACT

RESIDENTIAL UNDERGROUND ELECTRIC DISTRIBUTION CONTRACT
Texas
Between
Company Name or homeowner
(Company Name)
Owner Name

(Customer Name, Owner, Developer, Operator, or Builder, Hereinafter referred to as "Customer") And AEP/Southwestern Electric Power Company, hereinafter referred to as "Company", it is mutually understood and agreed that:

I. This agreement applies to installation and operating of an underground electric distribution (UED) system on electric utility easements granted the Company at

Subdivision Name (address if single residential home)

and is further identified by the Company easement drawing which is made a part of this Agreement.

II. Electric service covered by this Agreement shall be for individually metered residential home(s)– single phase, 3 wire at a nominal voltage of 120/240 volts.

III. Customer shall install all underground service entrance cables between Customer's building and the Company's transformer or secondary service pedestal. Meters to be located per company specifications.

IV. Company reserves the right to designate the point of service for each lot. All underground distribution facilities within subdivisions will be installed on the front lot line adjacent to the street right of way.

V. Customer will provide the Company an easement at final grade. The easement will be located adjacent to the street right of way for the placement of the UED system. The easement shall be clear of trees and other obstructions, as required, with all property corners staked before construction of residential underground electric distribution begins. Final grade is further defined as the grade expected to be utilized by the ultimate homeowner on that specific property or lot and is relevant to the UED system placement or subsequent relocation thereof as is referenced by (VII) below.

VI. Location of underground facilities, other than the electric distribution system installed by or for the Customer shall be designated by the Customer prior to construction of the electric distribution system.

VII. Any rearrangements in the electric distribution system which may be required by the Customer after installation of distribution system shall be paid for by the Customer prior to rearrangement of the facility. This includes, but is not limited to, the lowering of transformers, pedestals, cables, or any other Company facility after installation of the system is complete. Failure to pay for the rearrangement of the facilities will result in the inability to provide service from the facility in question due to public safety concerns.

VIII. Company will furnish and install the following equipment:

A. All primary and secondary cables. (Does not include service cables.)
B. Switch enclosures, transformers, transformer enclosures, secondary pedestals, and associated equipment.
C. Any overhead distribution required to provide this service.

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RESIDENTIAL UNDERGROUND ELECTRIC DISTRIBUTION CONTRACT

IX. Customer/Developer may be required to provide compensation to the Company for the difference in cost (CIAC) between overhead distribution (least cost) and underground distribution when the residential subdivision does not meet the requirements of a "Standard Undergound Distribution Subdivision" as described in the UED policy (Sheet V-5). If CIAC is required, construction/installation of the faciltiies will not begin until full payment of the CIAC has been received by the Company.

The differential cost (CIAC) for this project is:$_____

X. Customer agrees to pay the up-front installation cost of the street lighting system per local city ordinance or other agreed requirements.

Cost of lighting system $_____

Description of lighting system to be installed and monthly maintenance fee by city per light:

XI. Customer agrees to pay the up-front installation cost of the street lighting for any Homeowners Association Street Lighting Systems prior to installation of the system.

Cost of lighting system $_____
Customer agrees to acquire a Homeowners Association ID from the State of Texas.
Customer agrees to execute a Contract for Homeowners Association Street Lighting.

XII. Customer will pay to the Company at the time of acceptance of this Agreement the amount of $_____for temporary construction, removal, or rearrangement of existing overhead facilities.

XIII. Customer agrees to pay to the Company at time of acceptance of this Agreement the amount of $_____which is the grand total of all the separate charges listed above.

In witness whereof, the parties hereto have caused this agreement to be executed on _____, 20___.

_____
Customer

Witness _____ By _____
Owner Name

_____
Registered Agent Official Capacity

Southwestern Electric Power Company

Witness_____ By _____

SOUTHWESTERN ELECTRIC POWER COMPANY

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COMMERCIAL/INDUSTRIAL UNDERGROUND ELECTRIC DISTRIBUTION CONTRACT

COMMERCIAL/INDUSTRIAL UNDERGROUND ELECTRIC DISTRIBUTION CONTRACT

Texas

Between

Company

(Company Name)

Customer

(Customer Name, Owner, Developer, Operator, or Builder, Hereinafter referred to as "Customer")

And AEP/Southwestern Electric Power Company, hereinafter referred to as "Company", it is mutually understood and agreed that:

I. This agreement applies to installation and operation of an underground electric distribution (UED) system to serve commercial or industrial customers on electric utility easements granted the Company at

Development Name

and is further identified by the Company easement drawing which is made a part of this Agreement.

II. Electric service covered by this Agreement shall be: (*Indicate one*)

A._____For individual customer served by a single pad mounted transformer.

B. _____For a loop primary system serving one or more individual customers from pad mounted transformers, including business parks, mobile home parks, R/V parks, apartment complexes and apartment buildings. This UED system may include underground secondary, pedestals, or enclosures.

C. _____For individual customer(s) served by an underground secondary pedestal or enclosure with UED secondary feeding from overhead distribution transformers.

D. For several customers served by a single pad mounted transformer.

III. Service voltage will be. (*Indicate one*)

1. _____Single phase, 3 wire at a nominal voltage of 120/240.
2. _____Single phase, 3 wire at a nominal voltage of 240/480.
3. _____Three phase, 4 wire at a nominal voltage of 208Y/120.
4. _____Three phase, 4 wire at a nominal voltage of 480Y/277

IV. Customer shall install all underground service entrance cables between Customer's building and the Company's transformer or secondary service pedestal or enclosure.

V. Company reserves the right to designate the point of service for each lot.

VI. Customer will provide adequate overcurrent protection to each individual consumer.

VII. Customer will provide the utility an easement at final grade. The easement shall be clear of trees and other obstructions, as required, with all property corners staked before construction of the underground electric distribution begins. Final grade is further defined as the grade expected to be

SOUTHWESTERN ELECTRIC POWER COMPANY

COMMERCIAL/INDUSTRIAL UNDERGROUND ELECTRIC DISTRIBUTION CONTRACT

utilized by the Customer on that specific property or lot and is relevant to the UED system placement or subsequent relocation thereof as is referenced by (IX) below.

VIII. Location of underground facilities, other than the electric distribution system installed by or for the Customer shall be designated by the Customer prior to construction of the electric distribution system.

IX. Any rearrangements in the electric distribution system or metering arrangement which may be required by the Customer after installation of distribution system shall be paid for by the Customer prior to rearrangement of the facility. This includes, but is not limited to, the lowering of transformers, pedestals, cables, or any other Company facility after installation of the system is complete. Failure to pay for the rearrangement of the facilities may result in the inability to provide service from the facility in question due to public safety concerns.

X. Under this agreement the customer will furnish:

A. Concrete pad(s) for three phase pad mounted transformers in accordance with Company standards. For single phase transformer installations, Customer must compact the earth and Company will install a transformer pad.

B. Conduit from Company pole to three phase pad mounted transformer location(s). Conduit will be minimum 4" Sch 40 PVC for 15kV three phase primary systems and minimum 6" Sch 40 PVC for 35kV three phase primary systems. All bends shall be galvanized rigid conduit, long sweep per Company specifications. All conduit will have a minimum of 48" cover below final grade. Conduit shall have a pull string installed by the customer. All steel conduit shall have a grounding bushing installed at transformers when the galvanized elbow is exposed at pad opening.

C. Conduit from Company pole to single phase pad mounted transformer location(s). Conduit will be minimum 3" Sch 40 PVC or size specified by Company. All bends shall be galvanized rigid conduit, long sweep per Company specifications. All conduit will have a minimum of 48" cover below final grade. Conduit shall have a pull string installed by the customer. All steel conduit shall have a grounding bushing installed at transformers when the galvanized elbow is exposed at pad opening.

D. Conduit for UED secondary cable between transformer and secondary pedestals or enclosure and/or multiple secondary pedestals or enclosures. Conduit number(s) and size will be specified by Company as required and installed as specified on per Company specifications. All conduit will have a minimum of 48" cover below final grade.

E. Service connection cables between the Company transformer, secondary pedestal or enclosure and the service entrance equipment.

F. Any necessary pullboxes or manholes occasioned by the routing or length of conduit run, requirements as specified by Company.

G. A spare conduit is recommended but not required.

SOUTHWESTERN ELECTRIC POWER COMPANY

Tariff Manual - Public Utility Commission of Texas

Section Title: Service Rules and Regulations
Section No: V
Applicable: Commercial
Docket No: 37364

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COMMERCIAL/INDUSTRIAL UNDERGROUND ELECTRIC DISTRIBUTION CONTRACT

XI. Company will furnish and install the following equipment:

A. All primary and secondary cables. (Does not include service cables.)

B. Switch enclosures, transformers, transformer enclosures, secondary pedestals, secondary enclosures, and associated equipment, including the ground rods in pad mounted transformers.

C. Any overhead distribution required to provide this service.

XII. Customer must provide compensation to the Company for the difference in cost between overhead distribution and underground distribution.

Customer agrees to pay Company the differential cost prior to the installation of (UED) facilities in the amount of $_____

XIII. Customer agrees to pay the up-front installation cost of the street lighting system per local city ordinance or other agreed requirements. Must be city streets to qualify for lighting by the city and adhere to the City's street lighting policy when planning lighting.

Cost of lighting system $_____

Description of lighting system to be installed and monthly maintenance fee by city per light:

XIV. Customer will pay to the Company at the time of acceptance of this Agreement the amount of $_____ for temporary construction, removal, or rearrangement of existing overhead facilities.

XV. Customer agrees to pay to the Company at time of acceptance of this Agreement the amount of $_____ which is the grand total of all the separate charges listed above.

In witness whereof, the parties hereto have caused this agreement to be executed on _____, 20___.

_____
Company Name Customer

Witness _____ By _____
Customer

_____)_____
Registered Agent Official Capacity

Southwestern Electric Power Company

Witness_____ By _____

SOUTHWESTERN ELECTRIC POWER COMPANY CONTRACT FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION

THIS Contract is made by and between Southwestern Electric Power Company, a Delaware Corporation, (whose mailing address is P. O. Box 21106, Shreveport, Louisiana 71156) herein called the "Company", and _____, herein called the "Customer" both of which are represented by the undersigned, duly constituted representatives.

This Contract is only available together with a Contract for Electric Service with the Customer. However, if Customer is a Qualified Facility (QF) and chooses not to receive electric service from the Company, Customer will not be required to execute a Contract for Electric Service provided Customer agrees to the installation, at its sole cost, of equipment reasonably required by the Company to prevent the flow of electric service from Company to Customer. Company may, at its option, elect to install, own, operate and maintain such equipment as part of the interconnection costs associated with Customer's QF or to require the Customer to install, own, operate and maintain such equipment.

The parties hereby agree as follows:

The Customer shall generate electricity by means of a _____ _____ generator rated at approximately _____ kilowatts, 3 phase, 60 cycle alternating current at a nominal voltage of _____. The Customer shall interconnect with the Company at a voltage of _____ with voltage regulated at +-5% of nominal.

The Company shall interconnect with the electrical facilities associated with the generation of the Customer on the premises occupied by the Customer at _____ _____. The Company will make its best efforts to have interconnection facilities in service not later than _____.

This contract is performable in _____, _____ County, Texas.

The Company, under terms of this contract, will interconnect in accordance with The Public Utility Commission of Texas (Commission) approved Terms and Conditions for Interconnection of Customer-owned Generation which is attached hereto and by this reference made a part hereof. In the event new or revised Terms and Conditions for Interconnection of Customer-owned Generation applicable to interconnection under this Contract is authorized and made effective by the duly constituted regulatory authority or authorities having jurisdiction in the premises, which said Terms and Conditions supersedes or modifies the Terms and Conditions which are attached to this contract, then from and after the date upon which said new Terms and Conditions become authorized and effective, interconnections will be in accordance with such new or revised Terms and Conditions.

The Terms and Conditions for Interconnection of Customer-owned Generation may be revised as a part of (1) a rate filing; (2) upon the agreement of the Company, any affected Customers and approval of the Commission; (3) or by order issued in settlement of a dispute by the Commission after a 90 day period of negotiation prior to filing such dispute.

SOUTHWESTERN ELECTRIC POWER COMPANY CONTRACT FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION

The Customer will pay any interconnection costs which are defined as the costs of connection, switching, metering, transmission, distribution, safety provisions, or any other costs directly related to the installation and maintenance of physical facilities necessary to permit interconnected operations with the Customer, to the extent such costs are in excess of the corresponding costs that the Company would have incurred if it had not engaged in interconnected operations.

The Customer shall reimburse the Company for the actual cost of interconnection facilities prior to construction of the interconnection facilities. The Customer shall pay the Company the estimated interconnection charge of $_____, less $_____ previously paid on a previous contract for interconnection at the same locations. Such estimated interconnection costs are detailed in Appendix A. It is agreed that the reimbursement to the Company by the Customer for the costs of interconnection is a continuing obligation. Only when the original interconnection facilities used older, depreciated equipment within the computation of interconnection costs that must be replaced with more costly facilities, the additional cost of replacement for these older facilities will be paid by the Customer and will be considered as a change in the interconnection cost.

Upon completion of construction of the interconnection facilities, the Customer will begin paying a Monthly Maintenance Charge for maintaining facilities at the monthly maintenance charge rate applied to the estimated interconnection costs. After the actual interconnection costs are determined, the Customer shall pay the Company or the Company shall pay the Customer any difference between the actual and estimated interconnection costs, and the monthly charge for maintaining the facilities shall be adjusted to reflect the actual cost. The monthly maintenance charge rate is subject to the jurisdiction of the Commission and may be altered by the Company after approval of any new maintenance charge rate by the Commission. The currently filed monthly maintenance charge rate is 0.57% of the cost of gross investment in facilities. When any changes are made in the interconnection costs as a result of replacement of facilities, the monthly maintenance charge will be adjusted from the date of change to prospectively reflect the revised interconnection costs. The Monthly Maintenance Charge will be payable with the monthly bill for electric service as specified in the Contract for Electric Service unless the Customer is a QF delivering non-firm energy to the Company, in which case the Monthly Maintenance Charge will be reflected in the monthly statement to the Customer as specified in the applicable Commission-approved Qualified Facility Non-Firm Power Purchase Schedule.

If the Customer is a QF and chooses to deliver non-firm energy to the Company, the Company, under the terms of this Contract, will purchase non-firm energy in accordance with the Commission-approved Qualified Facility Non-Firm Power Purchase Schedule with is attached hereto and by this reference made a part hereof.

The Company shall purchase electric energy generated by the QF beginning on the date that all interconnection facilities are in service and electric energy is available for purchase from the QF.

SOUTHWESTERN ELECTRIC POWER COMPANY CONTRACT FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION

The line loss adjustment of the Qualified Facility Non-Firm Power Purchase Schedule Option A to be utilized for determining payments in accordance with Section I(B) is an upward or downward (strike inapplicable word) adjustment of _____%.

The Qualified Facility Non-Firm Power Purchase Schedule may be revised as part of (1) a rate filing; (2) a fuel reconciliation; (3) upon agreement of the Company, any affected QF's and approval of the Commission; (4) or by order issued in settlement of a dispute by the Commission after a 90 day period of negotiation prior to filing such dispute.

This contract shall be for an initial term of one year and shall continue in effect thereafter month to month unless terminated by either party with thirty (30) days prior written notice to the other. Provided however, that nothing in this paragraph shall be deemed to be a waiver of the Company's continuing obligation, if any, to interconnect with a Customer or to purchase energy from a QF under state and federal law.

In witness whereof, the parties hereto have caused this contract to be executed this _____ day of _____ 19____.

_____

Witness _____ By _____
(For Customer)

_____
Official Capacity

SOUTHWESTERN ELECTRIC POWER COMPANY

Witness _____ By _____
(For Company)

_____
Official Capacity

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UTILITY OPERATIONS

Southwestern Electric Power Company (SWEPCO) is a public utility engaged in generating, purchasing, transmitting, distributing and selling electricity in portions of the Texas Panhandle, northeastern Texas, northwestern Louisiana and western Arkansas. The Company owns some transmission facilities in Oklahoma, but serves no customers there. N

SWEPCO's service area is a 25,700 square mile area including 24 counties in Texas, 6 parishes in Louisiana and 13 counties in Arkansas. T

Electric service is furnished to 84 communities in Texas, 54 communities in Louisiana and 62 communities in Arkansas as well as adjacent suburban and rural areas. T

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Applicable: All Areas
Docket No: 37364

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CITIES, TOWNS, AND COMMUNITIES IN WHICH SERVICE IS PROVIDED

Alba	Maud	
Atlanta	McLeod	
Avery	Memphis	N
* Beckville	Miller's Cove	T
Bettie	Mineola	
Big Sandy	Mt. Enterprise	
Bloomburg	Mt. Pleasant	
Carthage	Mt. Vernon	
Cason	Naples	
Center	Nash	
Childress	New Boston	N
* Clarendon	New London	N
Clarksville City	Omaha	
Cookville	Overton	
Daingerfield	Pickton	
DeKalb	Pittsburg	
* Dodson	Price	N
East Mountain	Pritchett	
Estelline	Queen City	N
Fruitvale	Rolling Meadows	
* Gary	Redlick	T,N
Gilmer	Saltillo	
Gladewater	* Shamrock	N
Golden	Scottsville	
Grand Saline	Springhill	
Hallsville	* Tatum	T
Hawkins	Tenaha	
* Hedley	Texarkana	N
* Henderson	Turnertown	
Hooks	* Union Grove	T
Hughes Springs	Wake Village	
Jefferson	Wamba	
Joinerville	Warren City	
Kilgore	Waskom	
Lakeport	White Oak	
* Lakeview	Winfield	N
Leary	Winnsboro	
Liberty City	Winona	
Linden		
Longview		
Marshall		

* Ceded Jurisdiction N

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COUNTIES IN WHICH SERVICE IS PROVIDED

Bowie
Camp
Cass
Childress N
Collingsworth N
Donley N
Franklin
Gregg
Hall N
Harrison
Hopkins
Marion
Morris
Panola
Rains
Red River
Rusk
Shelby
Smith
Titus
Upshur
Van Zandt
Wheeler
Wood N

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RESIDENTIAL SERVICE (RS)

AVAILABILITY

This schedule is available to residential customers for all domestic uses in residences, individual family apartments, and private rooming houses.

Where a portion of a residential unit is used for non-residential purposes, the appropriate non-residential service schedule is applicable to all uses of electric service. However, this rate schedule may be applied to the residential portion of such use, provided Customer's wiring is so arranged that the use of electric service for residential purposes can be metered separately from the non-residential use.

MONTHLY RATE

Customer Charge: $7.25 per month plus I

Kilowatt-hour (kWh) Charge: May through October Billing Cycles I
4.80¢ per kWh

November through April Billing Cycles
3.80¢ each for the first 600 kWh I,D
2.57¢ each for each additional kWh I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Multiple Dwelling: Where service is rendered through one meter to a multiple dwelling unit or apartment house, the amount of the Customer Charge will be multiplied by the number of single residential units served. D

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

GENERAL SERVICE

AVAILABILITY

This rate schedule is available to all Customers except multiple dwellings or apartment houses, on an annual basis for secondary service for lighting, heating and power, or combination of lighting, heating and power where facilities of adequate capacity and suitable phase and voltage are available. Service will be supplied at one point of delivery through one meter. This schedule is available to Customers with a maximum demand which does not exceed 50 kilowatts.

MONTHLY RATE

Customer Charge: $10.00 per meter, plus
$ 3.00 for each Kilowatt of Billing Demand in excess of 10 Kilowatts of Billing Demand

Kilowatt-hour (kWh) Charge: 3.78¢ per kWh I

Minimum Monthly Bill: The Minimum Monthly Bill will be the Customer Charge for the maximum Kilowatts of Billing Demand established during the 11 preceding months. For Minimum Monthly Bills rated in horsepower, each horsepower will be considered equal to 3/4 kilowatt.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

D

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

Determination of Kilowatts of Maximum Demand: The Kilowatts of Maximum Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month. The Kilowatts of Maximum Demand will be subject to the Power Factor Adjustment Clause.

Power Factor Adjustment: The Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's Kilowatts of Maximum Demand will be adjusted by multiplying the Kilowatts of Maximum Demand by 90% and dividing by the average lagging power factor.

PAYMENT FOR SERVICE

SOUTHWESTERN ELECTRIC POWER COMPANY

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GENERAL SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under the Company's Standard Terms and Conditions.

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LIGHTING AND POWER SERVICE (LP)

AVAILABILITY

This rate schedule is available to all customers, except multiple dwellings or apartment houses, on an annual basis for service for lighting, heating and power or combination of lighting, heating and power where facilities of adequate capacity and suitable phase and voltage are available. Service will be supplied at one point of delivery through one meter.

MONTHLY RATE

Secondary Service

Kilowatt Charge:

$5.83 for each Kilowatt of Billing Demand in the month, but I
not less than $58.30 I

Kilowatt-hour (kWh) Charge: I

1.020¢ per kWh

Primary Service

Kilowatt Charge:

$5.50 for each Kilowatt of Billing Demand in the month, but I
not less than $55.00

Kilowatt-hour (kWh) Charge: I

0.91¢ per kWh

Minimum Monthly Bill: The Minimum Monthly Bill will be the kilowatt charge, but not less than the charge for the maximum Kilowatts of Billing Demand established during the 11 preceding months.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N
D

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month. The Kilowatts of Billing Demand will be subject to the Power Factor Adjustment Clause.

SOUTHWESTERN ELECTRIC POWER COMPANY

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LIGHTING AND POWER SERVICE (LP)

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

Power Factor Adjustment: The Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's Kilowatts of Billing Demand will be adjusted by multiplying the Kilowatts of Billing Demand by 90% and dividing by the average lagging power factor.

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

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LARGE LIGHTING AND POWER SERVICE (LLP)

AVAILABILITY

This rate schedule is available to all customers on an annual basis for service for lighting, heating and power or combination of lighting, heating and power where facilities of adequate capacity and suitable phase and voltage are available. Service will be supplied at one point of delivery though one meter.

MONTHLY RATE

Kilowatt Charge:

Primary Service - $53,900 for the first 10,000 kilowatts of Billing Demand or less in the month. I

$5.39 each for all kilowatts in excess of 10,000 kilowatts of Billing Demand in the month. I

Transmission Service - $51,000 for the first 10,000 kilowatts of Billing Demand or less in the month. I

$5.10 each for all kilowatts in excess of 10,000 kilowatts of Billing Demand in the month. I

Kilowatt-hour (kWh) Charge: 0.75¢ per kWh I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Determination of Kilowatts of Billing Demand: The kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month, but not less than 80% of the highest kilowatts of Billing Demand established during the 11 preceding months. The kilowatts of Billing Demand will be subject to the Power Factor Adjustment Clause.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

Power Factor Adjustment: The Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the power factor at the time of establishment of any 15-minute period of maximum use during the month be determined to be below 90%, the Customer's kilowatts of Billing Demand will be adjusted by multiplying the kilowatts of Billing Demand by 90% and dividing the result by the actual power factor at the time of maximum use.

T

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LARGE LIGHTING AND POWER SERVICE (LLP)

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

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ELECTRIC FURNACE SERVICE (EFS)

AVAILABILITY

This rate is available for service to three (3) phase electric metal melting furnaces of not less than 500 kilowatts capacity. Company may supply service at single (1) phase if in its sole judgment it has sufficient capacity available at the point of delivery.

The Customer agrees to install a separate circuit to be used for the purpose of supplying service only to the Customer's electric metal melting furnace.

It is specifically understood and agreed that should the Customer attach any apparatus, appliance and/or other type of load to the above specified circuit other than an electric metal melting furnace, then all service delivered to the Customer through such circuit shall be billed for a minimum of 12 months on the Lighting and Power Service schedule (LP).

TYPE OF SERVICE

Company will supply three-phase service and at any one standard secondary or primary voltage available from Company's distribution system at the point of delivery.

NET MONTHLY BILL

Rate: $80.00 Customer Charge I

$4.50 per kW of billing demand I

$12.91 per kW additional charge for on-peak demand I

$0.0038 per kWh for all kWh used I

D

Minimum: Customer Charge; but not less than 41¢ per kVa of capacity dedicated installed to serve Customer's load (excluding fuel cost recovery charges). I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Determination of Billing Demand: The demand will be measured and shall be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month. The Billing Demand will be subject to the Power Factor Clause.

Determination of On-Peak Demand: The on-peak demand will be measured and shall be the monthly average kilowatt load used by the Customer during the 15 minute period of maximum use during the Company's system load period of 1 p.m. to 7 p.m. DST Mondays through Fridays (excluding Independence Day and Labor Day) during the months of June, July, August and

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ELECTRIC FURNACE SERVICE (EFS)

September. The above on-peak months and hours may be adjusted, when load conditions justify, by the Company notifying the Customer in writing, but in no case shall the on-peak months be more than 4 months or the on-peak hours be more than 6 hours. All months and hours of the year not defined as on-peak months and hours in the on-peak provision above are off-peak hours.

Power Factor Adjustment: The Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's Kilowatts of Maximum Demand will be adjusted by multiplying the Kilowatts of Maximum Demand by 90% and dividing by the average lagging power factor.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions. T

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METAL MELTING SERVICE (MMS)
DISTRIBUTION VOLTAGES

AVAILABILITY

This schedule is available for demands of not less than 500 kilowatts for operation of electric furnaces and metal melting devices at locations on Company's system where adequate kilovolt-ampere surge capacity exists. Company reserves the right to limit individual ratings of electric furnaces and metal melting devices. T

CHARACTER OF SERVICE

Power and energy supplied under this schedule will be delivered and metered at Company's standard distribution voltages of 12.5 KV and above. Company will not agree to serve or, in event of existing service, continue to serve such load if it is not operated with sufficient reactance in the circuit to limit voltage fluctuations to 2% or less at Company's bus from which other customers are served. Any required special facilities necessary for limiting said voltage fluctuations to required value of 2% or less will be furnished by the Customer.

MONTHLY RATE

Kilowatt Charge: $1,530 for the first 500 kilowatts of maximum demand I

$ 3.06 per kilowatt per month for each kilowatt in excess of 500 kilowatts I

Kilowatt-hour (kWh) Charge: 1.00¢ per kWh I

Minimum Monthly Bill: The minimum monthly bill will be the Kilowatt Charge, but not less than 75% of the maximum Kilowatt Charge established during the term of the contract of which this rate is a part.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

D

DETERMINATION OF DEMAND

The demand for billing purposes will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month.

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METAL MELTING SERVICE (MMS)
DISTRIBUTION VOLTAGES

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

POWER FACTOR ADJUSTMENT

Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's maximum demand for billing purposes will be adjusted by multiplying the maximum demand by 90% and dividing by the average lagging power factor.

TERMS AND CONDITIONS

The Company's Standard Terms and Conditions apply to service under this schedule.

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METAL MELTING SERVICE (MMS-69 KV)
69 KV OR HIGHER

AVAILABILITY

This service is available at transmission voltage of 69,000 volts or higher, for service only to electric furnaces and metal melting devices with demands of not less than 500 kilovolt-amperes located at a point on Company's existing transmission lines, having sufficient kilovolt-ampere capacity available at such voltage. Customer will furnish the necessary corrective equipment to limit voltage fluctuations to 2% or less on the high voltage delivery bus.

CHARACTER OF SERVICE

Power and energy supplied under this schedule will be delivered at transmission voltage to one point of delivery and metered through one meter at either primary or secondary voltage, at the option of the Company, with adjustment for billing purposes to the higher voltage side of the substation serving the point of delivery.

MONTHLY CHARGE FOR SERVICE

Kilovolt-ampere Charge: (No kilovolt-ampere charge will be made for kilovolt-amperes of maximum use established during off-peak period.)

$1,480.00 for the first 500 kilovolt-amperes of maximum use in the month. I

$2.96 per kilovolt-ampere per month for each kilovolt-ampere of maximum use in excess of 500 kilovolt-amperes in the month. I

Kilowatt-hour (kWh) Charge: 0.90¢ per kWh I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per KWH as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Minimum Monthly Bill: The minimum monthly bill will be $2.96 for each kilovolt-ampere of maximum use in the on-peak hours during the current month, but not less than $2.22 for each KVA of maximum use established during any on-peak period of the previous twelve(12) months including the current month but not less than 5,000 KVA. I I

The minimum monthly bill will be $1.48 for each kilovolt-ampere of maximum use in the off-peak hours during the current month, or seventy-five percent (75%) of the maximum off-peak kilovolt-amperes established during the previous twelve (12) months including the current month, whichever is the greater, but in any event not less than 10,000 KVA. I

Either the on-peak or the off-peak minimum will apply, whichever is the greater.

METAL MELTING SERVICE (MMS-69 KV)
69 KV OR HIGHER

DETERMINATION OF KILOVOLT-AMPERES OF MAXIMUM USE
The kilovolt-amperes of maximum use will be measured and will be the average kilovolt-ampere load used by Customer during the 15-minute period of maximum use during the month. The kilovolt-amperes of maximum use for billing purposes (except for minimum billing) will be determined as follows:

> The maximum kilovolt-ampere load registered during the on-peak hours, except; if at any time operation of customer's equipment causes voltage fluctuations in excess of 2% then Customer's kilovolt-amperes of maximum use for billing purposes will be the highest kilovolt-amperes registered during the month measured instantaneously, and such registrations will be billed as on-peak kilovolt-amperes of maximum use until such time as Customer installs corrective equipment to limit voltage fluctuations to 2% or less.

The kilovolt-amperes of maximum use for billing purposes shall be not less than 50% of the previously established kilovolt-amperes of maximum use during on-peak hours in the period from June 1 to October 1, during the previous twelve (12) months including the current month.

The on-peak hours during the calendar year are as follows:

Monday through Friday

	Start	Stop	
January	1 p.m.	7 p.m.	C
February	1 p.m.	7 p.m.	C
March	1 p.m.	7 p.m.	C
April	1 p.m.	7 p.m.	C
May	1 p.m.	7 p.m.	C
June	1 p.m.	7 p.m.	C
July	1 p.m.	7 p.m.	C
August	1 p.m.	7 p.m.	C
September	1 p.m.	7 p.m.	C
October	1 p.m.	7 p.m.	C
November	1 p.m.	7 p.m.	C
December	1 p.m.	7 p.m.	C

Note: The above hours are based on Central Time.

The off-peak hours consist of those hours during the day that are not included in the aforementioned table of on-peak hours. Saturdays, Sundays, and the following National holidays shall be considered off-peak hours: New Year's Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Should any of these days fall on Sunday, the following Monday shall be considered a National

METAL MELTING SERVICE (MMS-69 KV)
69 KV OR HIGHER

holiday. The on-peak hours may be changed by the Company from time to time to conform with Company's system peak load by giving the Customer reasonable advance notice in writing, but in any event, the total number of off-peak hours during the month shall not be reduced.

ANNUAL GUARANTEE

It is mutually understood and agreed that in order for Company to be equitably compensated for fixed charges on its investment in generation, transmission, and special facilities, to serve Customer, regardless of the "Minimum Monthly Bill" provision of this contract, if at the end of any contract year (a contract year is that period beginning June 1 each year and continuing through May 31 of the following year) under this contract total billing for power and energy has not equaled or exceeded an amount arrived at by multiplying the number of KVA of Maximum Use during any on-peak period from June 1 to October 1, of the current contract year by $47.16 then Customer, upon demand I
by Company, will pay an amount to Company which when added to the amount billed for power and energy, will equal the product of KVA of Maximum Use, as defined next above, times $47.16. I

It is the intention of the parties that the Customer's monthly payments be at least sufficient at all times during the contract year to equal a pro rata share of the Annual Guarantee. Monthly billing shall be not less than an amount determined by the following formula:

$$P = D (M \times \$3.93) - B$$ I

P = Payment due to provide pro rata of Annual Guarantee.

D = Maximum KVA demand established during "On-Peak Hours"
(1 p.m. to 7 p.m.) of the "On-Peak" period C
(June 1 to October 1 of the current contract year).

M = Number of billing months elapsed during contract year
beginning June 1.

B = Amount previously paid for service supplied during
current contract year.

Billing computed in accordance with the Fuel Cost Component of Monthly Rates is not T
included in determining Annual Guarantee so is not to be considered as part of amount previously paid during current contract year in this calculation.

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METAL MELTING SERVICE (MMS-69 KV)
69 KV OR HIGHER

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Should operation of Customer's installation at any time cause voltage fluctuations in excess of 2%, Customer agrees, after being notified by Company of such excess, to install the necessary special facilities to correct for such fluctuations to 2% or less. In the event Customer fails to install such facilities at the earliest practicable date, then Company reserves the right to install, and Customer agrees to pay the cost of such necessary corrective equipment.

The Company's Standard Terms and Conditions will also apply to service under this schedule.

In case of conflict between any provisions of this schedule and Company’s Contract for Electric Service and Standard Terms and Conditions, the provisions of this schedule shall apply.

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OFF-PEAK SERVICE RIDER TO THE LIGHTING AND POWER SERVICE (LP) SCHEDULE, LARGE LIGHTING AND POWER SERVICE (LLP) SCHEDULE AND METAL MELTING SERVICE - DISTRIBUTION VOLTAGES (MMS) SCHEDULE

AVAILABILITY

This rider is available to customers receiving electric service under the Lighting and Power Service (LP), Large Lighting and Power Service (LLP), or the Metal Melting Service-Distribution Voltages (MMS) schedule when prearrangement has been made by contract for the installation of adequate facilities which includes appropriate metering.

This rider is not applicable to accounts to which the Seasonal Electric Space Heating Rider C-2 applies. C

All provisions of the Lighting and Power Service (LP), Large Lighting and Power Service (LLP) or Metal Melting Service-Distribution Voltages (MMS) schedule, whichever is applicable, will apply except as modified herein.

Customer Charge:

Customer receiving electric service under either the Lighting and Power Service (LP) or Metal Melting Service-Distribution Voltages (MMS) who contract for service under this rider will be billed a Customer Charge of $75.00 per month to help defray the additional costs incurred by the Company in providing service hereunder. Such additional costs are associated with but not limited to metering, billing, and administrative expenses. I

Demand:

The Determination of Kilowatts of Billing Demand clause of the Lighting and Power Service (LP) or the Determination of Demand clause of the Metal Melting Service-Distribution Voltages (MMS) schedule, whichever is applicable, will be modified to the extent that the Kilowatts of Billing Demand (LP) or Kilowatts of Maximum Demand (MMS) for each month will be the average of the On-Peak and Off-Peak Demands, but not less than the larger of either the On-Peak Demand or 500 kilowatts.

The Kilowatts of Billing Demand (LP) or Kilowatts of Maximum Demand (MMS) will be subject to the Power Factor Adjustment clause of each respective schedule.

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OFF-PEAK SERVICE RIDER TO THE LIGHTING AND POWER SERVICE (LP) SCHEDULE, LARGE LIGHTING AND POWER SERVICE (LLP) SCHEDULE AND METAL MELTING SERVICE - DISTRIBUTION VOLTAGES (MMS) SCHEDULE

The Determination of Kilowatts of Billing Demand clause of the Large Lighting and Power Service (LLP) schedule will be modified to the extent that the Kilowatts of Billing Demand for each month will be the average of the On-Peak and Off-Peak Demands, but not less than the larger of either the On-Peak Demand or 80% of the highest Kilowatts of Billing Demand established during the 11 preceding months.

The Power Factor Adjustment clause of the LLP schedule will apply separately to the On-Peak and Off-Peak Demands used to determine the Kilowatts of Billing Demand.

The On-Peak and Off-Peak Demands will be defined as the average kilowatt load used during the 15-minute period of maximum use during the On-Peak and Off-Peak Hours of the month, respectively.

On-Peak/Off-Peak Hours:

On-Peak Hours are defined as the hours beginning at 1 p.m. and ending at 7 p.m. Monday through Friday. All other hours are considered as Off-Peak Hours. The On-Peak Hours of the following National Holidays will be considered Off-Peak Hours: New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Should any of these days fall on Sunday, the following Monday will be considered a National Holiday, likewise should any of these days fall on Saturday, the preceding Friday will be considered a National Holiday. C

The hours specified herein may be changed from time to time by the Company as changes in the Company's system load may require, by giving the Customer thirty days prior written notice of such change.

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STATE INSTITUTION OF HIGHER EDUCATION BASE RATE ADJUSTMENT

AVAILABILITY

After August 31, 1995, electric service provided to facilities of any Texas State four-year university, college, upper-level institution or Texas State Technical College shall be subject to and billed in accordance with this Base Rate Adjustment. This Base Rate Adjustment is applicable to only those accounts on which the Texas State four-year university, college, upper-level institution, or the Texas State Technical College is the Customer of Record.

DETERMINATION OF ADJUSTMENT

The discount is a 20-percent reduction of the base rates that would otherwise be paid under the applicable tariffed rate. T

GENERAL CONDITIONS

The Company will make a reasonable, good faith effort to identify those accounts to which this Base Rate Adjustment is applicable. Customer is solely responsible for identifying and notifying Company of all accounts to which this Base Rate Adjustment is applicable and Company shall not be liable for any loss or damage to Customer due to the failure, for any reasons whatsoever, to identify any such account. Company shall not be required to refund any overpayment due to such failure to identify any such account, other than by credit to Customer's account.

This Base Rate Adjustment is subject to the provisions of the Company's Service Rules and Regulations.

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RIDER C-2 PROVIDING FOR SEASONAL ELECTRIC SPACE HEATING

AVAILABILITY

This rider is available to customers receiving electric service under the General Service (GS), or Lighting and Power Service (LP), or Municipal Service (MS) Schedules, having in regular use, permanently installed for heating either an electric reverse cycle central system heat pump or a total of 5 kilowatts or more of electric devices used for comfort space heating. The installation must be approved by Company personnel.

Service under this rider is subject to all provisions of the applicable rate schedule to which it applies, except those provisions specifically modified herein.

APPLICABILITY

This rider will be applicable in any year when Company's May through October maximum monthly system peak demand exceeds the preceding November through April maximum monthly system peak demand by 20%.

KILOWATT CHARGE

During November through April Billing Cycles:
The kilowatt charge will be computed using the Kilowatts of Billing Demand, which will be measured and will be the average kilowatt load used by the customer during the 15-minute period of maximum use during the current month, but not to exceed the Kilowatts of Billing Demand established during the immediately preceding May through October Billing Cycles. However, the measured Kilowatts of Billing Demand for billing purposes will not be reduced by an amount greater than 60% of the KW load of the devices used for comfort space heating.

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U.S. STEEL TUBULAR PRODUCTS, INC.
TEXAS OPERATIONS DIVISION (USS) T

AVAILABILITY

This rate is available to U S Steel Tubular Products, Inc.-Texas Operations Division for service provided under a contract specifying the limits and conditions of service as a rate that is subject to change by the regulatory authority having jurisdiction during the course of any rate proceeding. T

I. BASIC RATES FOR ELECTRIC SERVICE

A. Rate Determination:

1. Firm Load:
   Kilowatt Charge: $4.96 per kilowatt for the Firm Load Kilowatts of Billing Demand. I

   Kilowatt-hour Charge: 0.51¢ per kilowatt-hour for all Firm Load kilowatt-hours with kilowatt-hours from metered data for usage levels up to the Firm Load Kilowatts of Billing Demand. I

2. Rates for Turbine-Generator Overhaul and Emergency Power are applicable only when this type of power is used with kilowatt-hours from metered data for the usage levels specified. Turbine-Generator overhaul kilowatt-hours will be at the firm load rate. Emergency Power kilowatt-hours will be at the Power Emergency rate.

3. Curtailable Load:
   Kilowatt Charge: $3.71 per kilowatt for the Curtailable Load Kilowatts of Billing Demand. I

   Kilowatt-hour Charge: 0.45¢ per kilowatt-hour with the kilowatt-hours metered for usage between the Firm Load Kilowatts of Billing Demand and the Curtailable Load Kilowatts of Billing Demand. I

4. Off-Peak Load:
   Kilowatt Charge: $2.48 per kilowatt for the Off-Peak Kilowatts of Billing Demand. I

   Kilowatt-hour Charge: 0.45¢ per kilowatt-hour with the kilowatt-hours metered for usage between the Curtailable Load Kilowatts of Billing Demand and the Off-Peak Kilowatts of Billing Demand. I

B. Determination of Kilowatts of Billing Demand:
The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 30 minute period of maximum use comprised of two consecutive 15 minute periods (with each clock hour being divided into quarter hours) during the on-peak and off-peak hours of the month and will be determined in the following manner and sequence:

U.S. STEEL TUBULAR PRODUCTS, INC.
TEXAS OPERATIONS DIVISION (USS) T

1. Firm Load Kilowatts of Billing Demand: will be specified from time to time by Customer within the contract constraints. Any change in Firm Load requires at least 72 hours prior notice to Company with written confirmation being sent within 24 hours of such notice. An increase will be effective for the entire month in which requested to be effective and a decrease will be effective after the end of such month.

2. Turbine-Generator Overhaul Kilowatts of Billing Demand: will be specified in advance by Customer and shall be considered as Firm Load Kilowatts of Billing Demand during the agreed upon period and shall not be used in the Determination of Minimum Kilowatts of Billing Demand.

3. Emergency Power Kilowatts of Billing Demand: will be specified, at the beginning of Emergency Power use by Customer with written confirmation within 24 hours. Customer will notify Company when the emergency has been completed with written confirmation within 24 hours. Emergency Power Kilowatts of Billing Demand as specified will be in addition to the Firm Load Kilowatts of Billing Demand but will be considered as Firm Load Kilowatts of Billing Demand in determining Curtailable and off-peak Kilowatts of Billing Demand. Emergency Power Kilowatts of Billing Demand shall not be used in the Determination of Minimum Kilowatts of Billing Demand.

4. Curtailable Load Kilowatts of Billing Demand: will be the on-peak hours determination of Kilowatts of Billing Demand less the Firm Load Kilowatts of Billing Demand.

5. Off-Peak Kilowatts of Billing Demand: will be the off-peak hours determination of Kilowatts of Billing Demand less the on-peak hours determination of Kilowatts of Billing Demand and shall not be used in the Determination of Minimum Kilowatts of Billing Demand.

C. Monthly Kilowatt Charge

The monthly kilowatt charge will be the charge for the Kilowatts of Billing Demand for the current month or the Minimum Kilowatts of Billing Demand, whichever is greater as determined in the following manner and sequence:

1. Firm load kilowatts of billing demand at the firm load rate, plus

2. Turbine-Generator or Emergency Power Kilowatts of Billing Demand are applicable only when the power is utilized (not to be used in Minimum Kilowatts of Billing Demand), plus

3. Curtailable Load Kilowatts of Billing Demand at the rate for curtailable load, plus

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4. Off-peak Load Kilowatts of Billing Demand at the rate for off-peak load (not to be used in the Minimum Kilowatts of Billing Demand).

D. Firm Load
Demand and energy used regularly on an as needed basis not subject to normal interruption for load management by Company.

E. Curtailable Load
Demand and energy used in addition to firm load used regularly on an as needed basis within limits of the contract but subject to interruption for up to 30 times during the curtailable year for a total of 150 hours. Curtailable load will be subject to immediate interruption for emergency system conditions in addition to the above.

F. Curtailable Year
Beginning June 1 and Ending May 31 of the following year.

G. Interruption Procedure for Curtailable Load
The interruption procedure will be in the following order:

1. Company's system dispatcher will request Customer's designated representative(s) to reduce load to an amount that is not less than firm load amount. Company will attempt to provide at least 30 minutes notice but will provide not less than a minimum of 15 minutes notice to Customer to reduce its load to the requested load amount. Interruptions for emergency system conditions as noted previously shall be subject to immediate interruption.

2. If Customer's demand exceeds the predetermined level after actions in step 1 of the interruption procedure, Company shall interrupt total plant service.

H. Off-Peak Load
Demand and energy used in addition to firm or curtailable load only during the off-peak hours subject to the following limitations. The average kilowatt load during the off-peak hours will not exceed the on-peak demand by more than 50,000 kilowatts; provided however, the off-peak demand shall not exceed the on-peak demand by more than 30,000 kilowatts during the hours from 6:00 A.M to 7:30 A.M. in the months of October, November, December, January, February, March and April.
The Off-Peak Demand limitation of 30,000 kilowatts shall not apply on Saturday or Sunday or the day of a National Holiday. Any Demand in excess of the maximum Off-Peak Demands specified above shall be considered as On-Peak Demands and billed accordingly. Provided further however, Company shall have the right of normal interruption back to the Firm Load during the hours from 3:30 P.M. to 8:00 P.M. in the months of October through April of any calendar year and during the hours from 8:00 A.M. to 2:00 P.M. in the months of May through September of any calendar year.

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I. Off-Peak Hours and On-Peak Hours: In the months of May through September of any calendar year, the On-Peak Hours are those hours between 2:00 P.M. and 10:00 P.M., Monday through Friday; the Off-Peak Hours are those between 10:00 P.M. on one day to 2:00 P.M. on the following day, Monday through Thursday and 10:00 P.M. on Friday to 2:00 P.M. the following Monday. In the months of October through April of any calendar year, the On-Peak Hours are those hours between 7:30 A.M. and 3:30 P.M., Monday through Friday; the Off-Peak Hours are those between 3:30 P.M. on one day to 7:30 A.M. on the following day, Monday through Thursday and 3:30 P.M. on Friday to 7:30 A.M. the following Monday. The On-Peak Hours of the following National Holidays shall be considered Off-Peak Hours in this Agreement: New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Should any of these days fall on Sunday, the following Monday shall be considered a National Holiday, likewise should any of these days fall on Saturday, the preceding Friday shall be considered a National Holiday.

J. The combined total amount of Curtailable and Off-Peak Load will be limited to the Curtailable Load plus 50,000 KW. Any demand during Off-Peak Hours in excess of Curtailable Load plus 50,000 KW will be considered Firm Load Demand.

II. MINIMUM KILOWATTS OF BILLING DEMAND:

The Minimum Kilowatts of Billing Demand will be higher of (a) the charge for the On-Peak Demand of the current month, but not less than the charge for 40,000 kilowatts, or (b) any contract provisions.

III. DETERMINATION OF KILOVAR CHARGE:

The reactive demand in kilovars will be recorded by SWEPCO. In each month a charge of 38 cents per month shall be made for each kilovar by which Lone Star's maximum 30 minute reactive demand in kilovars is greater than 50 percent of Lone Star's maximum 30 minute kilowatt demand during the same time period in that month. I

IV. FUEL COST COMPONENT OF MONTHLY RATES:

In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T
D

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V. ADDITIONAL COMPONENTS OF MONTHLY RATES:

This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

VI. TURBINE-GENERATOR OVERHAUL:

It is recognized that it will be necessary for the integrated operation of the turbine-generators of Lone Star and power service of SWEPCO, that scheduled overhaul periods on the equipment of Lone Star must be fitted into the similar schedules of SWEPCO as determined by SWEPCO's Chief System Operator. During the agreed upon period of overhaul, the Turbine-Generator Overhaul Kilowatts of Billing Demand shall be determined in accordance with the provisions as stated in the "Determination of Kilowatts of Billing Demand" section, except that The Kilowatts of Billing Demand in excess of the Kilowatts of billing Demand established under normal operations, shall be prorated on a daily basis during the billing periods when such overhauls are being accomplished. The Turbine-Generator Overhaul Kilowatts of Billing Demand established during the overhaul period shall not be used in the Minimum Kilowatts of Minimum Billing Demand and shall only be applicable during the actual period of overhaul.

VII. EMERGENCY POWER AND ENERGY:

It is recognized that emergencies may arise in operation of Lone Star's plant occasioned by a breakdown of the existing generating plant of Lone Star whereby additional power is required. Therefore, SWEPCO, on request of Lone Star, agrees to furnish as it has available such emergency power and corresponding energy as may be required by Lone Star. In addition to normal billing, additional power and energy furnished during such emergency shall be on the following basis:

0.25¢ per kilowatt-hour plus the Fuel Cost Component of Base Rates (Schedule FC) or 110 I
percent (110%) of SWEPCO's cost of energy whichever is the greater amount for all
emergency kilowatt-hours supplied to Lone Star plus 20.9¢ per kilowatt per day for each I
Kilowatt of Billing Demand established above the Firm Load Kilowatts of Billing Demand.

The Kilowatts of Billing Demand established during periods of emergency shall not be used in the Determination of Kilowatts of Minimum Billing Demand and shall only be applicable during the month(s) that the emergency power and energy is supplied.

VIII. BILLING AND PAYMENTS:

Bills for services furnished are rendered monthly and are due and payable within sixteen (16) days of date of bill. A sum equivalent to 1% of the total bill will be added to Lone Star's total monthly bill, but will be collected only in the event Lone Star fails to pay in full on or before the due date shown on the bill.

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Section No: IV
Applicable: Red River Army Depot
Docket No: 37364

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RED RIVER ARMY DEPOT (RRAD) SPECIAL RATE

AVAILABILITY

This rider is available to RRAD under the terms of the RRAD Electric Distribution System Operations and Maintenance Contract (the contract) and it is an addition to the existing service rate schedule under which RRAD receives primary distribution service. Once service under the existing rate schedule expires, this rider shall continue and shall be in addition to the AEP SWEPCO (the Company) rate schedule that applies for primary distribution service to effectuate deliveries of electricity to the RRAD, regardless of which retail electric provider takes service under that rate schedule.

RRAD SPECIAL RATE

The monthly charge will be $38,802. This charge is an addition to the regular charge that RRAD is paying the Company to receive its electric service at Primary meter and will continue to apply regardless of which electric provider takes service under the applicable rate schedule once restructuring rates take effect.

TERM OF PAYMENT

RRAD shall pay the monthly charge of $38,802 to the Company once RRAD enters into the contract with the Company for a consecutive time period of 288 months or 24 years.

TERM AND CONDITIONS

The term and conditions under which service will be provided are set forth in the contract signed by both RRAD and the Company. The Company reserves the right to petition the Public Utility Commission of Texas (PUCT) to alter this rider due to change in the law or in the rules of the PUCT or with the agreement of the RRAD.

SOUTHWESTERN ELECTRIC POWER COMPANY

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Section Title: Rates, Charges, and Fees
Section No: IV
Applicable: East Texas Oil Field
Docket No: 37364

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OIL FIELD LARGE INDUSTRIAL POWER SCHEDULE (OLI)

AVAILABILITY
This rate schedule is designed to meet the operating characteristics in the East Texas oil field and is available in that field for oil well pumping, pipeline pumping, refineries, and incidental lighting, for oil companies having power demands of 50 kilowatts or more.

Service will be furnished at Company's available standard distribution voltage.

METERING
Metering will be at primary or secondary voltage, at the option of the Company.

MONTHLY RATE
Kilowatt Charge: $6.53 for each Kilowatt of Billing Demand in the month, but not less than $326.50 I I

Kilowatt-hour (kWh) Charge: 0.90¢ per kWh I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N D

DETERMINATION OF DEMAND
The demand will be measured and will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month.

MINIMUM MONTHLY BILL
The Minimum Monthly Bill will be the Kilowatt Charge, but never less than the charge for fifty percent (50%) of the maximum demand established during the eleven (11) preceding months.

PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

POWER FACTOR CLAUSE
Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's kilowatts of maximum use for billing purposes will be adjusted by multiplying the kilowatts of maximum use by 90% and dividing by the average lagging power factor.

TERMS AND CONDITIONS

SOUTHWESTERN ELECTRIC POWER COMPANY

OIL FIELD LARGE INDUSTRIAL POWER SCHEDULE (OLI)

Service will be furnished under the Company's Standard Terms and Conditions.

GROUP BILLING

Due to the peculiar characteristics of the East Texas oil field business, in that the Customer may have a number of leases scattered over a certain area, there will be cases where it is more economical to serve the Customer's requirements through a number of different centrally located meters, rather than through one central meter for the entire field. In view of these conditions, the Company has established a group billing policy, to be available in cases where the Customer owns and maintains all distribution lines and transformation equipment on the Customer's lease or leases. In case the Customer elects to be billed according to the Company's group billing policy, it is further agreed as follows:

a. The Company will build, own and maintain the distribution line or lines any reasonable distance to the respective leases of the Customer or its affiliated company, and will set primary or secondary meters at these respective points. (In the event the Customer has a number of small, separate leases in one general location, the Company will build the line or lines any reasonable distance to some central point in the group of small leases).

b. The Customer will build, own and maintain the necessary lines, transformer equipment, etc., on the respective leases of the Customer.

c. This policy of group metering will maintain within the boundaries of the oil field commonly recognized as the "East Texas oil field."

d. The demand for billing purposes will be the maximum simultaneous demand; i.e., the average kilowatt load used by the Customer on all meters simultaneously during the fifteen-minute period of maximum use during the month. In view of the expense of the necessary equipment and billing to accurately determine this maximum simultaneous demand, it is understood between the parties hereto that this demand will be estimated according to the most accurate information obtainable from the Customer and Company without the installation of recording demand meters. The Company, however, reserves the right to install recording demand meters and to base the maximum simultaneous demand on the recordings from these meters.

e. The total energy for billing purposes will be the sum of the respective energy readings of the separate meters. One bill will be rendered the Customer each month utilizing the group maximum simultaneous demand and the group energy readings.

f. It is understood this schedule will cover the various extensions which the Company may make to furnish service to the Customer, and its affiliated company, and that a separate agreement may be required for each service.

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COTTON GIN SERVICE (CGS)

`AVAILABILITY

This rate schedule is applicable only for cotton gins having a load of not less than 65 Horsepower.

The energy consumed hereunder may, at the Company's option, be metered either at primary or secondary voltage; incidental lighting shall be included under this schedule.

TYPE OF SERVICE

Customer shall take three-phase service at any one standard secondary voltage available from the Company's point of delivery.

MONTHLY BILL

Rate: $27.00 Customer Charge I

Billing Months of June through September	Billing Months of October through May
$0.060 per kWh all kWh used	$0.031per kWh all kWh used

I

Minimum Monthly Bill: Customer Charge $27.00 I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill. N

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COTTON GIN SERVICE (CGS)

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions. T

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FEDERALLY OWNED OR OPERATED MILITARY BASE DISCOUNT (BASE RATE ADJUSTMENT)

AVAILABILITY

Effective with the first billing cycle of May 2006, electric service provided to facilities of federally owned or operated bases where customer choice is not available and as identified in PURA Section 36.354 shall be subject to and billed in accordance with this Base Rate Adjustment. This Base Rate Adjustment is applicable only to those accounts on which the federally owned or operated military base is the Customer of Record.

DETERMINATION OF ADJUSTMENT

In accordance with the terms of the applicable rate schedule, amounts billed, excluding any adjustment factors, cost recovery factors, fuel and purchased power costs, and specific facility charges, are reduced by 20%.

GENERAL CONDITIONS

The Company will make a reasonable, good faith effort to identify those accounts to which this Base Rate Adjustment is applicable. Customer is solely responsible for identifying and notifying Company of all accounts to which this Base Rate Adjustment is applicable and Company shall not be liable for any loss or damage to Customer due to the failure, for any reason whatsoever, to identify any such account. Company shall not be required to refund any overpayment due to such failure to identify any such account, other than by a credit to the Customer's account.

This Base Rate Adjustment is subject to the provisions of the Company's Service Rules and Regulations

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MILITARY BASE ADJUSTMENT FACTOR

Military Base Adjustment Factor shall be effective with the first billing cycle of June 2009 and will remain in effect until revised each year in accordance with PURA
Section 36.354.

Electric service supplied under all rate schedules shall be subject to the applicable Military Base Adjustment Factor, which applies to all kilowatt-hours billed during each monthly billing cycle. For electric service billed under applicable rate schedules for which there is no metering, the Company shall estimate the monthly usage and the Military Base Adjustment Factor shall be applied. The adjustment factor will be identified on the customer bills as “Military Base Adjustment Factor.”

The Military Base Adjustment Factor shall not be applied to accounts to which the Federally Owned or Operated Military Base Discount is applicable.

MONTHLY FACTOR

$.0000463 per billing kWh

HISTORICAL ADJUSTMENTS AND TRUE-UP

The Military Base Adjustment Factor shall be based on actual historic usage and adjusted in May of each year to include the over/under recovery from the previous year.

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EXPERIMENTAL ECONOMIC DEVELOPMENT RIDER

AVAILABILITY

This Rider is available to customers receiving electric service under the Lighting and Power (LP) or Large Lighting and Power Service (LLP) rate schedule and who meet the requirements of this Rider. The continued availability of this Rider to new applicants is at the sole discretion of the Company, and the Company will not accept new applications for service under this Rider when the Company's forecasts indicate that additional generating capacity will be needed within a five-year period.

All provisions of the LP or LLP rate schedule, whichever is applicable, will apply except as modified herein.

All of the following requirements must be met:

1. The Customer must increase the number of Full-Time Employees at its facility by specified amounts.

2. Additional load of the Customer must meet one of the following provisions:

Provision No.	A Customer with Existing Load in Kilowatts (KW) of:	Must have Additional Load (in KW) in Excess of:
1	10 KW - 1,000 KW	200 KW
2	1,001 KW - 2,500 KW	20% of Existing Load
3	2,501 KW - 10,000 KW	500 KW
4	Above 10,000 KW	5% of Existing Load

3. Businesses and industries eligible for service under this Rider must fall within one of the following categories:

* Industries manufacturing a product for sale or resale;
* Regional warehousing and distributing facilities;
* Scientific and industrial research and development facilities;
* Corporate relocations to SWEPCO's service area in which the Corporation takes electric service in their name;
* Petroleum and chemical refineries, pipeline pumping and pipeline compressor loads;
* Process and storage industries;
* Agricultural-related industries; and
* Governmental agencies (including correctional institutions).

4. Service under this Rider is available only in conjunction with a Contract for Electric Service having a minimum initial term of five years and requiring a minimum of thirty-(30) days advance notice to cancel thereafter.

EXPERIMENTAL ECONOMIC DEVELOPMENT RIDER

5. Prior to service being rendered under this Rider, Customer must furnish the Company a notarized affidavit confirming that this Rider was an important contributing factor in the Customer's decision to open a new facility or expand an existing facility and also stating the number of Full-Time Employees anticipated to be added due to the Customer's new or expanded facility. To determine the actual number of Full-Time Employees due to the Customer's new or expanded facility, Customer will furnish a notarized affidavit with written verification of such employment as of six months after service under this Rider commences and thereafter as of June 30 and December 31 of each year the Rider is in effect. Such subsequent affidavits will be submitted to the Company no later than one month following the reporting date.

6. Prior to service being rendered under this rider, Company representatives will perform free of charge to Customer, an energy efficiency analysis of the plans for the new or expanded facility prior to installation of the additional connected load. The results of the analysis and the benefits of applicable demand-side management and energy conservation programs will be provided to the Customer. The Company shall identify and explain the reasonably applicable, commercially available demand-side measures known to Company that would reduce the need for electricity or that would use electricity more efficiently regardless of whether those measures are included or reflected in the Company's current demand-side management program offerings. Such analysis shall be required to qualify for service under this Rider unless the Customer can demonstrate good cause for not having the analysis performed, such as the use of proprietary technologies.

7. This Rider is available only to customers who had knowledge of its existence and the opportunity to consider its benefits in advance of making a decision to add, expand or resume service to inactive load. Consequently, the Company will not make the Rider available to any Customer who was not apprised of its potential availability in advance of the Customer's first construction, purchase or lease of new or additional facilities or equipment necessary to locate the business in the Company's service area.

Resumption of service to load which has been inactive for 12 months or more that meets the requirements of this Rider is eligible.

Definition of Base Period
To determine the levels of the required increases in connected load and Additional Full-Time Employment associated with the new or increased connected load, a Base Period shall be established. The Base Period shall be the 12 months immediately preceding the month that service is taken under this Rider, or as mutually agreed upon by the Company and the Customer.

Definition of Full-Time Employee
A Full-Time Employee, as used in this Rider, shall be an employee on the Customer's payroll at the facility, who has been employed, or is projected to be employed, for at least 1,000 hours per calendar year. The number of Full-Time Employees to be added due to the Customer's new or expanded facility, will be used to determine the appropriate Billing Credit Factor as set forth in the Monthly Charges and Economic Development Credit section of this Rider.

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EXPERIMENTAL ECONOMIC DEVELOPMENT RIDER

Determination of Monthly Base Demand Threshold

The Monthly Base Demand Threshold shall be determined by increasing the Kilowatts of Billing Demand, as determined in the LP or LLP rate schedule, whichever is applicable, for each month of the Base Period by the increments as set forth in requirement No. 2 listed above. For a new Customer, the Monthly Base Demand Threshold shall be 200 KW.

The Kilowatts of Billing Demand for each month of the Base Period may be adjusted as mutually agreed upon by the Company and the Customer to reflect the Customer's normalized load profile.

Determination of Economic Development Demand

The Economic Development Demand subject to the provisions of this Rider shall be that portion of the metered Kilowatts of Billing Demand during the current month that is greater than the Monthly Base Demand Threshold of the corresponding month in the Base Period.

Monthly Charges and Economic Development Credit:

The Customer's monthly bill for service provided under this Rider will be calculated in accordance with the LP or LLP rate schedule, whichever is applicable, with the exception that an Economic Development Credit will be applied. An Economic Development Credit will be determined by multiplying the Economic Development Demand times the Kilowatt Charge of
the LP or LLP rate schedule, whichever is applicable, times the appropriate Billing Credit Factor. The Billing Credit Factors are provided below:

Additional Full-Time Employees	Billing Credit Factors			
	Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4
4 - 9	40%	30%	20%	10%
10 - 20	45%	35%	25%	15%
21 or More	50%	40%	30%	20%

If necessary, the Billing Credit Factor will be adjusted upward or downward to the level which corresponds to the actual number of Additional Full-Time Employees. The adjustment to the Billing Credit Factor will be made in the billing month following the Customer's furnishing the Company the notarized affidavit described in requirement No. 5 above.

SOUTHWESTERN ELECTRIC POWER COMPANY

EXPERIMENTAL ECONOMIC DEVELOPMENT RIDER

Special Terms and Conditions

Customers are subject to being disqualified from this Rider for the following conditions:

1. The Kilowatts of Billing Demand for 12 consecutive months is less than the corresponding Monthly Base Demand Threshold.

2. Failure to add the minimum number of Full-Time Employees necessary for eligibility under this Rider and to retain such employment each year thereafter in which Economic Development Credits are available, or failure to provide the required semi-annual verification of employment.

The Company will monitor the Customer to ensure that the requirements listed above are met, and will investigate the reasons these conditions were not met before termination of the Rider.

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RADIO FREQUENCY METER INSTALLATION RIDER

AVAILABILITY

The Rider for Radio Frequency Meter Installation is available upon request to customers who are served under a rate schedule that requires no more than a single-phase, KWH only meter. A customer may request to have a radio frequency meter installed under the terms of this Rider as a mutually agreeable solution to Company personnel's lack of meter reading access to Company metering equipment on a customer's premises due to a locked gate, animal concern, safety concern or other reason.

CONDITION OF SERVICE

The Company will install, own, operate, and maintain the radio frequency meters installed under this Rider. All radio frequency meters installed under this Rider shall remain the property of the Company. After a radio frequency meter is installed, the customer is responsible for keeping the line-of-site clear from obstructions that may impede the reading of the radio frequency meter. The radio frequency meter is not transferable to another location within the Company's service territory to which the customer may move.

Some locations may not be suitable for installation of a radio frequency meter due to possible interference and/or limitations of the transmitting device. If it is determined by the Company that a location is not suitable for the installation, the radio frequency meter will not be installed and the Company will refund any prior payment received under this Rider.

INSTALLATION FEE

The Radio Frequency Meter Installation Fee is based on the charges as set out below.

For premises requiring a meter exchange	$100.00 per meter
Each additional meter at the same premises	$ 70.00 per meter
For premises requiring new meter installation	$ 53.00 per meter

PAYMENT

The Company will invoice the requesting customer for the total installation fee and will install the radio frequency meter after receipt of payment. The fee is non-refundable after the radio frequency meter is installed.

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MUNICIPAL PUMPING SERVICE (MPS)

AVAILABILITY

This schedule is available on an annual basis for all municipal water and sewage pumping, with the exception of standby, breakdown, or auxiliary service, in communities in which the Company has a franchise for the generation, distribution, and sale of electric service, together with a standard contract for the operation of a street lighting system, when the Customer purchases its entire lighting and power requirements from the Company.

CHARACTER OF SERVICE

Power and energy supplied under this schedule will be at either primary or secondary voltage, depending on the Customer's requirements and the availability of such voltage from the Company's established primary or secondary circuits.

MEASUREMENT OF POWER AND ENERGY

Power and energy supplied hereunder will be measured by metering installations at each point of delivery and the kilowatt-hours registered at all points of delivery will be combined to determine the total kilowatt-hours to be used in computing the Customer's monthly bill under this schedule.

MONTHLY RATE

Kilowatt-hour (kWh) Charge:

3.00¢ each for the first 300,000 kWh I
2.25¢ each for all additional kWh I

Minimum Monthly Bill: The Minimum Monthly Bill will be $1.47 per Kilowatt of Maximum I
Demand established during the 11 preceding months but not less than $2.94. For Minimum I
Monthly Bills rated in horsepower, each horsepower will be considered equal to 3/4 kilowatt.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will T
be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34.

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate N
adjustments in effect from time to time in this tariff.

D

Determination of Kilowatts of Maximum Demand: The Kilowatts of Maximum Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month. The Kilowatts of Maximum Demand will be subject to the Power Factor Adjustment Clause.

Power Factor Adjustment: Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's Kilowatts of Maximum Demand will be adjusted by multiplying the Kilowatts of Maximum Demand by 90% and dividing by the average lagging power factor.

SOUTHWESTERN ELECTRIC POWER COMPANY

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MUNICIPAL PUMPING SERVICE (MPS)

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

MUNICIPAL SERVICE SCHEDULE (MS)

AVAILABILITY

This rate schedule is available on an annual basis for lighting and power in municipal buildings in communities where the Company has a franchise for the generation, distribution, and sale of electric service, together with a standard contract for the operation of a street lighting system, when the Customer purchases its entire lighting and power requirements from the Company.

It is optional with the Customer whether service will be billed under this schedule or any other standard schedule available. The Customer having selected one schedule may not change to another schedule within a twelve-month period, unless there is a substantial change in the character or conditions of its service.

MONTHLY RATE

Kilowatt-hour (kWh) Charge:

4.017¢ per kWh I

Minimum Monthly Bill: The Minimum Monthly Bill will be $1.47 per Kilowatt of Maximum I
Demand established during the 11 preceding months but not less than $2.94. For Minimum I
Monthly Bills rated in horsepower, each horsepower will be considered equal to 3/4 kilowatt.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will T
be increased by an amount per KWH as provided in the Fixed Fuel Factor schedule, Sheet IV-34.

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate N
adjustments in effect from time to time in this tariff.

D

Determination of Kilowatts of Maximum Demand: The Kilowatts of Maximum Demand for each month will be the average kilowatt load used by Customer during the 15-minute period of maximum use during the month. The Kilowatts of Maximum Demand will be subject to the Power Factor Adjustment clause.

Power Factor Adjustment: Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's Kilowatts of Maximum Demand will be adjusted by multiplying the Kilowatts of Maximum Demand by 90% and dividing by the average lagging power factor.

SOUTHWESTERN ELECTRIC POWER COMPANY

MUNICIPAL SERVICE SCHEDULE (MS)

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

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RECREATIONAL LIGHTING

N

AVAILABILITY
This schedule is available for lighting of recreational fields and for miscellaneous recreational facilities to include restrooms and concession stands, where the Customer owns the lighting facilities and the electric service is metered. Non-lighting loads may not exceed 20% of the total lighting load.

This schedule is applicable to recreational facilities of Not-For-Profit Organizations. Service under this schedule includes but is not limited to facilities with characteristics similar to athletic fields of schools, churches, and public recreational associations. The Company reserves the right to require proof of Not-For-Profit status.

A written contract may be required at the option of the Company.

TYPE OF SERVICE
The electric service furnished will be to a single metered delivery point and will be at one standard voltage.

This rate schedule is not available for resale, stand-by, or supplemental service.

NET MONTHLY RATE

Customer Charge: $7.40

Kilowatt-hour Charge: $0.0305 per kilowatt hour

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, PUCT Sheet IV-34.

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff.

PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under the Company's Standard Terms and Conditions.

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CUSTOMER-SUPPLIED LIGHTING SERVICE (CSL)

AVAILABILITY
This rate schedule is available for the operation of Customer-supplied outdoor lighting systems, including the operation of State-owned highway safety lighting systems, which operate from dusk to dawn. All lights served hereunder will be the responsibility of the Customer, where service is provided at one point of delivery and measured through one meter.

TYPE OF SERVICE
Customer shall take single-phase service at any one standard secondary voltage available from Company's point of delivery.

MONTHLY BILL

Rate: $7.40 Customer Charge I

$0.0305 per kWh for all kWh used I

Minimum Monthly Bill: Customer Charge

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, PUCT Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under Company's Standard Terms and Conditions.

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STREET LIGHTING SERVICE (ML-1)
(No new installations allowed)

AVAILABILITY
This schedule is available for street lighting purposes in any community in which the Company has a franchise for the generation, distribution, and sale of electricity.

TYPE OF SERVICE
The lights shall burn every night from dusk until dawn.

MONTHLY RATE *

			Est. KWH Per Month	
				D
				D
Ornamental Overhead Bracket Type (Incandescent)				
6,000 Lumen Lamps @ $5.35 per lamp per month			110	I
Mercury Vapor		Per Lamp Per Month		
				D
Wood Pole	16,000 Lumen Lamps @ $	5.56 (a)	145	I
				D

*Note: This rate is applicable to the presently installed system with no new installations allowed. As existing mercury vapor fixtures and/or ballasts need to be replaced on or after April 1, 2007, the Customer will have the option to transfer to another open tariff offering.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

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STREET LIGHTING SERVICE (ML-1)
(No new installations allowed)

D

INVESTMENT IN EQUIPMENT

Under these rate schedules the Company will invest up to, but not exceeding the following amount:

Overhead Bracket Type	$ 90.00
Ornamental Overhead Bracket Type	105.00
Mercury Vapor Overhead, Steel Pole	450.00
Mercury Vapor Overhead, Wood Pole	165.00 (a)
Mercury Vapor Overhead, Wood Pole	250.00 (b)

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under Company's Standard Terms and Conditions.

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MUNICIPAL STREET LIGHTING
MERCURY VAPOR SERVICE (ML-MV)
(No new installations allowed)

AVAILABILITY

This schedule is available for all new municipal street lighting units installed after August 1, 1965, in any community in which the Company has a franchise for the generation, distribution and sale of electricity.

TYPE OF SERVICE

The Company will furnish, install, own, operate and maintain the mercury vapor street lights contracted for and the Customer will receive and pay for this service according to the schedule below. The lights shall burn every night from dusk to dawn.

MONTHLY RATE

Size of Lamp - Mercury Vapor	Monthly Rate Per Lamp *	Company Will Invest Up To But Not To Exceed/Per Lamp	Est. KWH Per Month	
75 Watt- 2,800 Nominal Lumens	$ 2.57	$100.	30	I
100 Watt- 4,000 Nominal Lumens	$ 2.83	105.	42	I
175 Watt- 8,000 Nominal Lumens	$ 3.31	110.	68	I
250 Watt- 11,000 Nominal Lumens	$ 4.17	125.	98	I
400 Watt- 20,000 Nominal Lumens	$ 5.77	165. Wood Pole	155 145#	I
400 Watt- 20,000 Nominal Lumens	$ 7.27	250. Steel Pole	155 145#	I
400 Watt- 20,000 Nominal Lumens	$ 7.86	285. Wood Pole	155 145#	I
400 Watt- 20,000 Nominal Lumens	$10.80	450. Steel Pole	155 145#	I

Series

*Note: This rate is applicable to the presently installed system only with no new installations allowed. As existing mercury vapor fixtures and/or ballasts need to be replaced on or after April 2007, the Customer will have the option to transfer to another open tariff offering.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

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MUNICIPAL STREET LIGHTING
MERCURY VAPOR SERVICE (ML-MV)
(No new installations allowed)

D

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under Company's Standard Terms and Conditions.

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MUNICIPAL STREET AND PARKWAY LIGHTING (MS & PL)

AVAILABILITY

No new mercury vapor installations will be allowed on this schedule on or after April 1, 2007. As existing mercury vapor fixtures and/or ballasts need to be replaced on or after April 1, 2007, the Customer will have the option to transfer to another open tariff offering.

This schedule is available for municipal street and parkway lighting systems installed in any community in which the Company has a franchise for the generation, distribution and sale of electricity.

TYPE OF SERVICE

The Company will furnish, install, own, operate, maintain, clean and repair the street and parkway lighting system of design as mutually approved by the Customer and the Company. The lamps will be controlled to burn from dusk to dawn. The Customer agrees to provide, at no cost to the Company, all required right-of-way together with tree trimming permits for installation of the system and any permit necessary to allow the Company the right to use highway, parkway and street right-of-way for maintenance of the system.

MONTHLY RATE

The monthly bill for services furnished shall be the total amount of the following items:

Facilities Charge: There will be a charge each month equal to: 1.76% times the amount of the Company investment in the system to compensate the Company for its investment and maintenance thereon, and/or 0.69% times the amount of the Customer contribution in the system to compensate the Company for maintenance thereon. I I

	Est. KWH Per Month	
Mercury Vapor Lamps: (Includes Relamping)		
$1.02 per month for each 100 watt lamp	42	I
$1.39 per month for each 175 watt lamp	68	I
$1.92 per month for each 250 watt lamp	98	I
$2.83 per month for each 400 watt lamp	155	I
$6.36 per month for each 1000 watt lamp	364	I
Metal Halide Lamps: (Includes Relamping)		
$3.26 per month for each 400 watt lamp	156	I
$7.59 per month for each 1000 watt lamp	373	I

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MUNICIPAL STREET AND PARKWAY LIGHTING (MS & PL)

	Est. KWH Per Month	
High Pressure Sodium Lamps: (Includes Relamping)		
$1.07 per month for each 70 watt lamp	35	I
$1.39 per month for each 100 watt lamp	49	I
$1.55 per month for each 150 watt lamp	59	I
$2.30 per month for each 250 watt lamp	105	I
$3.26 per month for each 400 watt lamp	165	I
$7.54 per month for each 1000 watt lamp	388	I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N D

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under Company's Standard Terms and Conditions.

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PUBLIC HIGHWAY LIGHTING SERVICE ENERGY ONLY (PHL-E)

AVAILABILITY

This schedule is available for electric energy used in operation of public highway lighting systems at any point on the Company's interconnected system where secondary voltage service is available.

TYPE OF SERVICE

The Company will make available single phase, secondary voltage electric service from dusk until dawn at customer points of service located adjacent to Company lines of adequate capacity and suitable voltage.

MONTHLY RATE

The Customer will receive the services described herein and billing will include an amount for each:

Rate Modifier	Size of Lamp - Mercury Vapor	Rate	Est. KWH Per Month	
252	100 Watt- 4,000 Lumen Lamp	$ .67 per lamp per month	42	I
255	175 Watt- 8,000 Lumen Lamp	1.03 per lamp per month	68	I
250	250 Watt- 11,000 Lumen Lamp	1.55 per lamp per month	98	I
251	400 Watt- 20,000 Lumen Lamp	2.43 per lamp per month	155	I
253	1000 Watt- 54,000 Lumen Lamp	5.68 per lamp per month	364	I
	Size of Lamp - Metal Halide	Rate		
256	400 Watt- 34,000 Lumen Lamp	$2.43 per lamp per month	156	I
257	1000 Watt-100,000 Lumen Lamp	5.83 per lamp per month	373	I
	Size of Lamp - High Pressure Sodium	Rate		
258	70 Watt- 5,800 Lumen Lamp	$ .52 per lamp per month	35	I
259	100 Watt- 9,500 Lumen Lamp	.77 per lamp per month	49	I
260	150 Watt- 16,000 Lumen Lamp	.93 per lamp per month	59	I
261	250 Watt- 30,000 Lumen Lamp	1.65 per lamp per month	105	I
262	400 Watt- 50,000 Lumen Lamp	2.58 per lamp per month	165	I
263	1000 Watt- 140,000 Lumen Lamp	6.04 per lamp per month	388	I

Fuel Cost Component of MonthlyRates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

D

PAYMENT FOR SERVICE

SOUTHWESTERN ELECTRIC POWER COMPANY

PUBLIC HIGHWAY LIGHTING SERVICE
ENERGY ONLY (PHL-E)

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under the Company's Standard Terms and Conditions.

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PUBLIC HIGHWAY LIGHTING SERVICE (PHL)

AVAILABILITY

This schedule is available for electric service used in operation of publicly owned highway lighting systems utilizing mercury vapor, metal halide and high pressure sodium luminaires mounted at heights not exceeding forty (40) feet above ground level and where the Company has no investment in facilities beyond the delivery point of service.

TYPE OF SERVICE

The Company will make available single phase, secondary voltage electric service from dusk until dawn at Customer points of service adjacent to Company lines of adequate capacity and suitable voltage.

Customer will own, install, operate, and maintain its highway lighting system from point of service at connection with Company lines. Company will be responsible for relamping and will replace glassware to be furnished by Customer.

The Customer will provide Company, at no cost to Company, any permit necessary to allow Company the right to use highway right-of-way for maintenance to the system.

MONTHLY RATE

The Customer will receive the services described herein and pay a monthly bill computed on the following basis:

Rate Modifier	Size of Lamp - Mercury Vapor	Rate	Est. KWH Per Month	
050	100 Watt - 4,000 Lumen Lamp	$1.02 per lamp per month	42	I
051	175 Watt - 8,000 Lumen Lamp	1.39 per lamp per month	68	I
073	250 Watt - 11,000 Lumen Lamp	1.92 per lamp per month	98	I
074	400 Watt - 20,000 Lumen Lamp	2.83 per lamp per month	155	I
077	1000 Watt - 54,000 Lumen Lamp	6.36 per lamp per month	364	I
	Size of Lamp - Metal Halide	Rate		
052	400 Watt - 34,000 Lumen Lamp	$3.26 per lamp per month	156	I
053	1000 Watt - 100,000 Lumen Lamp	7.59 per lamp per month	373	I
	Size of Lamp – High Pressure Sodium	Rate		
054	70 Watt - 5,800 Lumen Lamp	1.07 per lamp per month	35	I
055	100 Watt - 9,500 Lumen Lamp	1.39 per lamp per month	49	I
056	150 Watt - 16,000 Lumen Lamp	1.55 per lamp per month	59	I
057	250 Watt - 30,000 Lumen Lamp	2.30 per lamp per month	105	I
058	400 Watt - 50,000 Lumen Lamp	3.26 per lamp per month	165	I
059	1000 Watt - 140,000 Lumen Lamp	7.54 per lamp per month	388	I

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PUBLIC HIGHWAY LIGHTING SERVICE (PHL)

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N D

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

PRIVATE LIGHTING SERVICE (PL)

AVAILABILITY

This tariff is closed to new customers and is available only to customers that were receiving service under this rate as of August 31, 2000. As existing mercury vapor fixtures and/or ballasts need to be replaced on or after April 1, 2007, the Customer will have the option to transfer to another open tariff offering.

This schedule is available for the operation of private lighting systems.

TYPE OF SERVICE

The Company will furnish, install, own, operate and maintain complete luminaire units of approved design with an automatic control device for lights to burn from dusk until dawn for an agreed upon term of years to continue thereafter in automatically recurring yearly periods unless and until terminated at the end of any yearly period by 30 days prior written notice from either party to the other.

The Customer agrees to provide all required right-of-way together with tree trimming permits and to protect the Company's equipment from damage.

The Company shall have the right to build pole line and install equipment upon the Customer's property and shall have access to the Customer's premises for any other purpose necessary for the performance of this service. The facilities installed by the Company will remain the property of the Company and may be removed by Company upon discontinuance of service.

The Company will exercise reasonable diligence at all times to furnish Customer Service as contracted for, but will not be liable in damages for any interruption, deficiency or failure of service. The Company reserves the right to interrupt the service when such interruption is necessary for repairs to its lines or equipment.

MONTHLY RATE

Installed on existing Company-owned poles and connected to existing Company-owned overhead lines of adequate capacity and suitable voltage.

Rate Modifier		Est. KWH Per Month	
300,301 w/Pole	$4.48 for each 2,500 lumen incandescent lamp unit	63	I
302,303 w/Pole	$5.94 for each 7,700 lumen mercury vapor lamp unit	68	I

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PRIVATE LIGHTING SERVICE (PL)

Special Facilities: The Company will extend its secondary conductor one span not to exceed 125 feet in length and/or install one 30 foot wood pole, including guy and anchor where needed, for support of such luminaire for which Customer agrees to pay an additional charge of $1.25 per month. Extension of special facilities will be limited to one span and/or one pole for each luminaire.

Fuel Cost Component Of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N D

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

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AREA LIGHTING - OUTDOOR (AL-MV)

AVAILABILITY

This tariff is closed to new customers and is available only to customers that were receiving service under this rate as of August 31, 2000. As existing mercury vapor fixtures and/or ballasts need to be replaced on or after April 1, 2007, the Customer will have the option to transfer to another open tariff offering.

This rate is available to customers requesting outdoor area lighting service for apartment projects, subdivisions, mobile home parks, parking lots, parks and grounds around buildings to be served from Company electric supply lines of adequate capacity and suitable voltage available and where all the Customer's electricity requirements are purchased from the Company.

TYPE OF SERVICE

The Company will furnish, install, own, operate, and maintain a complete area lighting system of design and installation approved by the Company. The lights will be controlled to burn from dusk until dawn.

MONTHLY RATE

The Customer agrees to pay for service at the following rate:

Rate Modifier	Rate Per Month For Each Lamp		Est. KWH Per Month	
322	$ 5.33	100 Watt - 4,000 Lumen Mercury Vapor Lamp Plus*	42	I
323	$ 5.94	175 Watt - 8,000 Lumen Mercury Vapor Lamp Plus*	68	I
324	$ 6.72	250 Watt - 11,000 Lumen Mercury Vapor Lamp Plus*	98	I
325	$ 8.03	400 Watt - 20,000 Lumen Mercury Vapor Lamp Plus*	155	I
327	$13.20	1000 Watt - 54,000 Lumen Mercury Vapor Lamp Plus*	364	I

* An additional charge of 1.76% per month of Company's investment that is in excess of $154 per luminaire. I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

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AREA LIGHTING - OUTDOOR (AL-MV)

D

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

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AREA LIGHTING - OUTDOOR (AL-MH&HPS)

AVAILABILITY

This tariff is closed to new customers and is available only to customers that were receiving service as of August 31, 2000.

This rate is available to Customer requesting outdoor area lighting service for apartment projects, subdivisions, mobile home parks, parking lots, parks and grounds around buildings to be served from Company electric supply lines of adequate capacity and suitable voltage available and where all the Customer's electricity requirements are purchased from the Company.

TYPE OF SERVICE

The Company will furnish, install, own, operate, and maintain a complete area lighting system of design and installation approved by the Company. The lights will be controlled to burn from dusk until dawn.

MONTHLY RATE

The Customer agrees to pay for service at the following rate:

Rate Modifier	Metal Halide Lamps	Est. KWH Per Month	
336	$ 4.71 per month for each 400 Watt - 34,000 Lumen Lamp plus*	156	I
337	$10.96 per month for each 1000 Watt - 85,500 Lumen Lamp plus*	373	I
	High Pressure Sodium Lamps		D
351	$ 2.01 per month for each 100 Watt - 9,500 Lumen Lamp plus*	49	I
352	$ 3.32 per month for each 250 Watt - 30,000 Lumen Lamp plus*	105	I
346	$ 4.71 per month for each 400 Watt - 47,000 Lumen Lamp plus*	165	I
347	$10.88 per month for each 1000 Watt -130,000 Lumen Lamp plus*	388	I

* An additional charge of 1.76% per month of Company's investment to provide the lighting system. I

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

D

SOUTHWESTERN ELECTRIC POWER COMPANY

AREA LIGHTING - OUTDOOR (AL-MH&HPS)

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

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STREET LIGHTING SERVICE (SLS)

AVAILABILITY
This rate is available only to municipalities, governmental agencies, colleges and universities for service to Company-owned and maintained street lighting fixtures installed at the request of the Customer for the purpose of illuminating public streets, highways, parking lots and campuses.

No new mercury vapor installations will be allowed on this schedule on or after August 1, 2007. As existing mercury vapor fixtures and/or ballasts need to be replaced on or after August 1, 2007, the customer will have the option to select another open tariff offering.

MONTHLY RATE

Description	Modifier	kWh	Price
70 Watt High Pressure Sodium			
Light on Wood Pole – Overhead Service	40	28	$ 6.45
Embedded Non-Wood Pole – Overhead Service	41	28	7.45
Base-Mounted Pole – Overhead Service	42	28	8.55
Embedded Non-Wood Pole – Underground Service	43	28	8.80
Base-Mounted Pole – Underground Service	44	28	9.90
150 Watt High Pressure Sodium			
Light on Wood Pole – Overhead Service	50	57	$11.80
Embedded Non-Wood Pole – Overhead Service	51	57	12.80
Base-Mounted Pole – Overhead Service	52	57	13.90
Embedded Non-Wood Pole – Underground Service	53	57	14.15
Base-Mounted Pole – Underground Service	54	57	15.25
250 Watt High Pressure Sodium			
Light on Wood Pole – Overhead Service	45	104	$13.70
Embedded Non-Wood Pole – Overhead Service	46	104	14.70
Base-Mounted Pole – Overhead Service	47	104	15.80
Embedded Non-Wood Pole – Underground Service	48	104	16.05
Base-Mounted Pole – Underground Service	49	104	17.15
300 Watt High Pressure Sodium (2 – 150 watt HPS)			
Light on Wood Pole – Overhead Service	21	114	$20.00
Embedded Non-Wood Pole – Overhead Service	22	114	21.00
Base-Mounted Pole – Overhead Service	23	114	22.10
Embedded Non-Wood Pole – Underground Service	24	114	22.35
Base-Mounted Pole – Underground Service	29	114	23.45

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STREET LIGHTING SERVICE (SLS)

Description	Modifier	kWh	Price
500 Watt High Pressure Sodium (2 – 250 watt HPS)			
Light on Wood Pole – Overhead Service	55	208	$22.50
Embedded Non-Wood Pole – Overhead Service	56	208	23.50
Base-Mounted Pole – Overhead Service	57	208	24.60
Embedded Non-Wood Pole – Underground Service	58	208	24.85
Base-Mounted Pole – Underground Service	59	208	25.95
175 Watt Mercury Vapor			
Light on Wood Pole – Overhead Service	10	70	$ 5.35
Embedded Non-Wood Pole – Overhead Service	25	70	6.35
Base-Mounted Pole – Overhead Service	26	70	7.45
Embedded Non-Wood Pole – Underground Service	27	70	7.70
Base-Mounted Pole – Underground Service	28	70	8.80
400 Watt Mercury Vapor			
Light on Wood Pole – Overhead Service	11	160	$ 9.10
Embedded Non-Wood Pole – Overhead Service	12	160	10.10
Base-Mounted Pole – Overhead Service	13	160	11.20
Embedded Non-Wood Pole – Underground Service	14	160	11.45
Base-Mounted Pole – Underground Service	15	160	12.55
800 Watt Mercury Vapor (2 – 400 watt MV)			
Light on Wood Pole – Overhead Service	16	320	$15.60
Embedded Non-Wood Pole – Overhead Service	17	320	16.60
Base-Mounted Pole – Overhead Service	18	320	17.70
Embedded Non-Wood Pole – Underground Service	19	320	17.95
Base-Mounted Pole – Underground Service	20	320	19.05
35 Watt Low Pressure Sodium (a)			
Light on Wood Pole – Overhead Service	30	24	$ 6.55
55 Watt Low Pressure Sodium (a)			
Light on Wood Pole – Overhead Service	65	28	$ 6.55
Embedded Non-Wood Pole – Overhead Service	66	28	7.55
Base-Mounted Pole – Overhead Service	67	28	8.65

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Docket No: 37364

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STREET LIGHTING SERVICE (SLS)

Description	Modifier	kWh	Price
90 Watt Low Pressure Sodium (a)			
Light on Wood Pole – Overhead Service	35	44	$12.50
Embedded Non-Wood Pole – Overhead Service	36	44	13.50
Base-Mounted Pole – Overhead Service	37	44	14.60
Embedded Non-Wood Pole – Underground Service	38	44	14.85
Base-Mounted Pole – Underground Service	39	44	15.95
180 Watt Low Pressure Sodium (2 – 90 watt LPS) (a)			
Light on Wood Pole – Overhead Service	60	88	$21.25
Embedded Non-Wood Pole – Overhead Service	61	88	22.25
Base-Mounted Pole – Overhead Service	62	88	23.35
Embedded Non-Wood Pole – Underground Service	63	88	23.60
Base-Mounted Pole – Underground Service	64	88	24.70
500 Watt Incandescent			
Existing Pole – Overhead Service	07	227	$ 8.94

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas. N

TERMS AND CONDITIONS
Service will be furnished under Company's Standard Terms and Conditions. T

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FLOODLIGHTING SERVICE (FL)

AVAILABILITY
Available for private outdoor floodlighting service. Under this schedule the Company will construct, own, operate, energize and maintain metal halide or high pressure sodium luminaries, mounted on a pole of a design approved by Company and cause light to operate from dusk to dawn. **THIS SERVICE IS AVAILABLE TO CURRENTLY INSTALLED FACILITIES ONLY.**

TYPE OF SERVICE
Upon receiving service under this rate schedule, Customer agrees to pay the Company the charge per luminaire for a period of not less than 12 months.

It is specifically understood and agreed that Company has the right to cancel service at any time in the event maintenance or lamp replacements becomes excessive due to vandalism or other causes.

MONTHLY BILL

Description	Modifier	kWh	Price
150 Watt High Pressure Sodium	50	63	$7.85
250 Watt High Pressure Sodium	45	100	9.00
400 Watt High Pressure Sodium	70	158	10.20
1,000 Watt High Pressure Sodium	71	367	18.50
250 Watt Metal Halide	72	97	9.10
400 Watt Metal Halide	73	153	10.35
1,000 Watt Metal Halide	74	367	18.65

Facilities Rental Charge: Plus a facilities rental charge of 1.76% for customers who rent facilities owned and maintained by the Company and/or a facilities maintenance charge of .69% for maintaining facilities for which a Customer made a Contribution in Aid of Construction.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, PUCT Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under Company's Standard Terms and Conditions.

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OUTDOOR LIGHTING SERVICE (OL)

AVAILABILITY
Available for private outdoor area lighting service. Under this schedule Company will construct, own, operate, energize and maintain overhead mercury vapor, high pressure sodium, or low pressure sodium luminaries, mounted on wood poles, of a design approved by Company and cause each light to operate from dusk to dawn. **THIS SERVICE IS AVAILABLE TO CURRENTLY INSTALLED FACILITIES ONLY**.

As existing mercury vapor fixtures and/or ballasts need to be replaced on or after August 1, 2007, the Customer will have the option to select another open tariff offering.

MONTHLY BILL

Description	Modifier	kWh	Price
175 Watt Mercury Vapor	10	70	$ 8.00
400 Watt Mercury Vapor	11	160	11.18
70 Watt High Pressure Sodium	40	28	8.45
150 Watt High Pressure Sodium	50	57	11.80

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TERM OF SERVICE
Upon receiving service under this rate schedule, Customer agrees to pay Company the charge per luminaire for a period of not less than 12 months.

It is specifically understood and agreed that Company has the right to cancel service at any time in the event maintenance or lamp replacements becomes excessive due to vandalism or other causes.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under Company's Standard Terms and Conditions.

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FIXED FUEL FACTOR

Electric service billed under applicable rate tariffs shall be subject to this Fixed Fuel Factor in accordance with the Substantive Rules of the Public Utility Commission of Texas Section 25.237.

The Fixed Fuel Factor is multiplied by the kWh sales read, estimated or determined under a metering voltage provision of an applicable rate schedule during the billing month.

The Fixed Fuel Factors are:

Service Voltage	January - March	April - June	July – September	October – December
Transmission – 138 kV	$.024469	$.027672	$.031267	$.027968
Transmission – 69 kV	$.024790	$.028036	$.031678	$.028336
Primary Substation *	$.024772	$.028015	$.031655	$.028315
Primary	$.025111	$.028398	$.032088	$.028702
Secondary	$.025929	$.029323	$.033133	$.029637

*Applicable to Primary Service supplied from the Substation bus.

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ENERGY EFFICIENCY COST RECOVERY RIDER

APPLICABILITY

Rider Energy Efficiency Cost Recovery Factor (EECRF) recovers the cost of energy efficiency programs not included in base rates and is applicable to the kWh of Retail Customers taking retail service from the Company. P.U.C. SUBST. R. 25.181(f)(4) provides that no later than May 1 of each year, a utility with an EECRF shall apply to adjust the EECRF in order to adjust for changes in costs and bonuses and to minimize any over- or under-collections of energy efficiency costs resulting from the use of the EECRF. The EECRF filed by May 1 of each year will be calculated in accordance with the following methodology and will be applied to the billing kWh billed by the Company.

Rates Included In Major Rate Classes*

Residential
Residential Service
Rider for Controlled Service to Water Heater

Industrial
Large Lighting & Power Service
Standby Service
Electric Furnace Service N
Metal Melting Service Distribution
Oil Field Large Industrial
Supplementary, Backup, Maintenance and As-Available Power Service
Interruptible Power Service

Commercial Service
General Service
Lighting & Power Service
Municipal Pumping Service
Municipal Service
As Available Standby Power Service
Cotton Gin
Recreational Lighting
Customer Supplied Lighting

Lighting Service
Street Lighting Service
Municipal Street Lighting Service
Municipal Street & Parkway Lighting Service
Public Highway Lighting Service
Private Lighting Service
Area Lighting Service N
Outdoor Lighting Service N
Highway Lighting Service N

*excludes transmission 69 kV & above customer classes

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ENERGY EFFICIENCY COST RECOVERY RIDER

AVAILABILITY

The following factors will be applied to the energy usage (metered or unmetered) of retail customers taking service from the Company.

MONTHLY RATE

Rate Schedule	Rate Code*	Factor Per kWh	
Residential Service	015,019,037,038	$0.001154	
Rider to Residential Service For Controlled Service to Water Heater	011	$0.001154	
General Service	205,206,207,208,209 210,211,212,218,219	$0.000518	
Cotton Gin	235	$0.000518	N
Lighting & Power Service Sec	060,063,240,241,243	$0.000518	
Lighting & Power Service Pri	066,246,249,247,276	$0.000518	
Large Lighting and Power Service Pri	346,351	$0.000595	
Electric Furnace Service	312	$0.000595	N
Interruptible Service	323,324	$0.000595	
Metal Melting Service Distribution	325	$0.000595	
Oil Field Large Industrial Power Schedule	329	$0.000595	
Municipal Pumping Service	540,550	$0.000518	
Municipal Service	544,545,548	$0.000518	
Municipal Lighting Service	522,528,529,534,535 538,539,739	$0.000826	
Private & Area Lighting	090,094,096,098,104 108,112,115,132,135 137,138,140,141,142 143	$0.000826	

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Outdoor Lighting Service	099,100,101,102,105,106, 116,117,118,119,120,128 129,130,203	$0.000826	N N
Highway Lighting Service	521,532	$0.000826	N
			C

*Rate codes may be added or discontinued during the year. Any new rate code will be billed the EECR rate based on the customer's applicable Rate Schedule. T

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PURCHASED POWER AND CONSERVATION FACTOR

APPLICATION

Applicable to all standard rates and all kilowatt-hours sold thereunder. For electric service billed under applicable rate schedules for which there is not metering, the monthly kilowatt-hour usage shall be estimated by the Company and the Purchased Power and Conservation Factor shall be applied. To the amount due from charges of the rate schedules under which electric service is provided is added the costs of demand-side management resources (DSM) and renewable energy resources approved for PPCF cost recovery by the Commission and not recovered in base rates. The Purchased Power and Conservation Factor will be calculated in accordance with the following methodology and will be applied to all kilowatt-hours sold.

Method of Calculation For Purchased Power and Conservation Factor

A Purchased Power and Conservation Factor (PPCF) is calculated annually for each major rate class.
The formula for the PPCF is as follows:

PPCF = Demand Side Management costs (DSM) + Renewable Energy Resource Costs (RER)/
Estimated kWh sales (S)

Method of Calculation For Demand-Side Management Costs (DSM)

DSM = (DP - TU) * AAF, where:

DP = Estimated costs of DSM resource contracts executed in connection with the Company's integrated resource planning process or as a result of a Commission-approved solicitation that have been approved for PPCF cost recovery by Commission order.

TU = True-Up amount to correct for any variance between actual DSM-related costs that have been approved for PPCF cost recovery by Commission order and the DSM-related revenue received from the PPCF. The calculation of TU will be conducted annually, which will determine the TU for the following year. The calculation will be performed as follows:
TU = AR - ADP; where AR is the actual DSM-related revenue received from the application of the PPCF in the period; and ADP is the actual DP which the Company intended to recover for the same period.

AAF = Adjusted Allocation Factor is ((((DP - TU) * D) / BPS) * S) for each listed major rate class / divided by the sum of this calculation for all listed major rate classes.

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BPS = Base Period Adjusted Kilowatt-hour Sales are the sales utilized to calculate the Kilowatt-hour rate for the first year of the PPCF. These kWh sales figures are as follows:

Major Rate Class	Base Period kWh Sales
Residential	2,192,184,285
Commercial	3,554,724,415
Industrial	1,443,278,446
Lighting	90,122,981

D = Demand Allocation Factor for each major rate classes from the company's cost allocation study provided in the most recent rate case. The demand allocator is as follows:

SWEPCO Demand Allocation Table

Customer Class	Allocator
Residential	37.58%
Commercial	46.32%
Industrial	14.50%
Lighting	1.6%

S = Estimated annual kWh sales for each major rate class.

Pursuant to ordering paragraph 3 of the final order in Docket No. 35625, the DP energy efficiency costs for the low-income weatherization program will cease after the final December 2008 billing cycle which is December 29, 2008.

Method of Calculation For Renewable Energy Resources(RER)

RER = (ERC - TU) * AAF:

ERC = Estimated costs of renewable energy resources that have been approved for PPCF cost recovery by Commission order.

TU = True-Up amount to correct for any variance between actual renewable energy resources- related costs and the renewable energy resources-related revenue received from the PPCF. The calculation of TU will be conducted annually, which will determine the TU for the following year. The calculation will be performed as follows: TU = AR - AERC; where AR is the actual renewable energy resources-related revenue received from the application of the PPCF in the period; and AERC is the actual ERC which the Company intended to recover for the same period.

AAF = Adjusted Allocation Factor is ((((ERC - TU) * DE) / BPS) * S) for each listed major rate class / divided by the sum of this calculation for all listed major rate classes.

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PURCHASED POWER AND CONSERVATION FACTOR

BPS = Base Period Adjusted Kilowatt-hour Sales are the sales utilized to calculate the Kilowatt-hour rate for the first year of the PPCF. These kWh sales figures are as follows:

Major Rate Class	Base Period kWh Sales
Residential	2,192,184,285
Commercial	3,554,724,415
Industrial	1,443,278,446
Lighting	90,122,981

DE = Demand and Energy Allocation Factor for each major rate class from the company's cost allocation study provided in the most recent rate case based on an allocation ratio of 94% Energy and 6% Demand. The Demand/Energy allocator is as follows:

SWEPCO Demand/Energy Allocation Table

Customer Class	Allocator
Residential	33.02%
Commercial	47.85%
Industrial	17.75%
Lighting	1.38%

S = Estimated annual kWh sales for each major rate class.

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PURCHASED POWER AND CONSERVATION FACTOR

Rates Included In Major Rate Classes

Residential Rate Class:

Basic Service
Basic Service with Water Heating
Basic Service with Space Heating
Basic Service with Water & Space Heating

Industrial Rate Class:

Large Lighting & Power Service
Standby Service
Metal Melting Service Distribution
Metal Melting Service 69 kV & Above
Oil Field Large Industrial Power
Contract with Lone Star Steel
Interruptible Power Service

Commercial Rate Class:

General Service
Lighting & Power Service
Municipal Pumping Service
Municipal Service
As Available Standby Power Service

Lighting Rate Class:

Street Lighting Service
Municipal Street Lighting Service
City of Longview
Municipal Street & Parkway Lighting Service
Public Highway Lighting Service - Energy Only
Public Highway Lighting Service C
Private Lighting Service
Area Lighting Service (Outdoor)

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PURCHASED POWER AND CONSERVATION FACTOR

RATE SCHEDULE	RATE CODE	RER and Energy Efficiency Refund Effective Date 12/30/09-01/29/10 $ per kWh (1)	RER and Energy Efficiency Effective Date 01/30/10 $ per kWh (1)
Residential Service (RS)	015,019,037,038	0.000924	0.000
Rider to Residential Service for Controlled Service to Water Heater (RWH)	011	0.000924	0.000
General Service (GS)	205,206,207,208 209,210,211,212 218,219	0.001082	0.000
Lighting and Power Service (LP) – Secondary	060,063,240,241 243	0.001082	0.000
Lighting and Power Service (LP) - Primary	066,246,249,247 276	0.001082	0.000
Lighting and Power Service (LP) - Transmission Level Voltage	252,254,255	0.001082	0.000
Large Lighting and Power Service (LLP)	346,351	0.001369	0.000
Large Lighting and Power Service (LLP) - Transmission Level Voltage	342,344	0.001369	0.000
Metal Melting Service - Distribution Voltage (MMS)	325	0.001369	0.000
Metal Melting Service - 69 kV or Higher (MMS-69kV) – Transmission Level Voltage	321	0.001369	0.000
Contract with Lone Star Steel Company (LSS) – Transmission Level Voltage	328	0.001369	0.000

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RATE SCHEDULE	RATE CODE	RER and Energy Efficiency Refund Effective Date 12/30/09-01/29/10 $ per kWh (1)	RER and Energy Efficiency Effective Date 01/30/10 $ per kWh (1)
Oil Field Large Industrial Power Schedule (OLI)	329	0.001369	0.000
Municipal Pumping Service (MPS)	540,550	0.001082	0.000
Municipal Service Schedule (MS)	544,545,548	0.001082	0.000
Municipal Lighting Service	522,528,529,534 535,538,539,739	0.001079	0.000
Private & Area Lighting Service (PL & AL)	090,094,096,098 104,108,112,115 132,135,137,138 140,141,142,143	0.001079	0.000
As - Available Standby Power Service - Secondary	240	0.001082	0.000
As - Available Standby Power Service - Primary	246,276	0.001082	0.000
Interruptible Power Service - Transmission Level Voltage	320,323,324	0.001369	0.000

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(1) To be applied to metered or unmetered kilowatt-hours

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INTERRUPTIBLE POWER SERVICE (IPS)

AVAILABILITY
This schedule is available for loads of not less than 5,000 kilowatts at points along Company's existing transmission lines of 69 KV or higher having sufficient kilovolt-amperes available to service such loads provided interruptible capacity in the opinion of the Company is available. It is understood that electric service furnished hereunder is subject to interruption as set forth in the following conditions of service.

CHARACTER OF SERVICE
Electric power and energy delivered by Company to Customer will be three phase, 60-cycle, alternating current, at a nominal voltage of 69 KV or higher. Metering will be at or adjusted to the service voltage.

CONDITIONS OF SERVICE
The cost of providing facilities necessary to connect the Customer's load to the system of the Company will be paid for by the Customer.

The Customer will provide a control circuit to a Company location that can be operated by Company supervisory control to interrupt Customer's load.

The Company will interrupt Customer's load for up to 30 times each Interruptible Year for a total of 150 hours. Company will endeavor to notify Customer at least 30 minutes in advance of the required interruption. Interruptible load will be subject to immediate interruption for emergency system conditions in addition to the above. The Interruptible Year will begin June 1 and will end May 31 of the following year.

MONTHLY RATE
Kilowatt Charge: $3.83 per Kilowatt of Billing Demand I

Kilowatt-hour (kWh) Charge: 0.63¢ per kWh for all kWh I

Minimum Monthly Bill: The minimum monthly bill will be $3.83 per Kilowatt of Billing I
Demand previously established but not less than $19,150. I

Power Factor Adjustment: In the event the power factor at the time of establishment of any 15-minute period of maximum use during the month is less than 90%, the Kilowatts of Billing Demand shall be adjusted by multiplying the Kilowatts of Billing Demand by 90% and dividing the result by the actual power factor at the time of said maximum use, and the result so obtained shall be the Kilowatts of Billing Demand for the month.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

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INTERRUPTIBLE POWER SERVICE (IPS)

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N D

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month. The Kilowatts of Billing Demand will be subject to the Power Factor Adjustment clause.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service of other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

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INTERRUPTIBLE POWER SERVICE - CUSTOMER OWNED POWER (IPS-COP) T

APPLICABILITY

This schedule is available for Interruptible Power up to the size of Customer-owned and operated power production equipment or other sources of power not held primarily for emergency use.

Service will be supplied at one point of delivery at locations where facilities of adequate capacity and suitable phase and voltage are available. Service will be provided on the Company's standard Contract for Electric Service to Customers having a separate agreement for interconnection to Company's system stating these terms and conditions.

It is understood that electric service furnished hereunder is subject to interruption as set forth in the following conditions of service.

CONDITIONS OF SERVICE

The cost to the Company of providing any facilities necessary to connect the Customer's load to the system of the Company and to interrupt the Customer's load will be paid for by the Customer in accordance with the Company's approved Monthly Charge for Special or Additional Facilities.

The Company will interrupt at the Company's sole discretion the Customer's total load at the point of delivery. When required by the method of interconnection, the Customer will provide any necessary interrupting devices and a control circuit to a Company location that can be operated by Company supervisory control to interrupt Customer's load.

MONTHLY RATE

Kilowatt Charge:

	Secondary Service	Primary Service	Transmission Service	
Per Kilowatt of Billing Demand:	$3.21	$2.70	$2.55	I

Kilowatt-Hour Charge:

	Secondary	Primary	Transmission	
Per Kilowatt-hour:	.796¢	.608¢	.585¢	I

Kilovar Charge: The Kilovars of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the Customer during the 15-minute period of maximum kilovar use during the month. A charge of $0.38 per month shall be made for each Kilovar of I
Reactive Demand exceeding 50% of the Kilowatts of Billing Demand.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill T
will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34.

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INTERRUPTIBLE POWER SERVICE - CUSTOMER OWNED POWER (IPS-COP) T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month, but not less than the highest Kilowatts of Billing Demand established during the 11 preceding months.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service of other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's standard contract containing the Standard Terms and Conditions and will be recognized as an exemption to the Exclusive Service Clause of the Company's Standard Terms and Conditions.

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TEMPORARY SERVICE

Service furnished for loads that are of a temporary nature, such as construction power, asphalt batch plants, carnivals, temporary commercial and industrial establishments and others, will be billed on the applicable rate and the customer will pay the Company the cost of installation and removal labor and unsalvageable materials including overhead costs.

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SCHEDULE OF FEES AND CHARGES FOR MISCELLANEOUS SERVICES

Returned Check Fee – For handling, processing and collecting checks returned to company by banks	$25	I
Reconnect Fee – Restoration of service fee that had been disconnected for non-payment, after customer has paid total amount due is:		
During regular working hours	$26	I
Reconnect at pole or underground	$78	I
Broken Seal Fee – Meter enclosure seal breakage fee is charged each time a Troubleman is required to reseal meter enclosures due to seal removal and/or entry into meter enclosure	$59	I
Energy Diversion/Meter Tampering Fee – If customer connects meter previously cut-off by SWEPCO**.** Minimum charge for meter tampering:		
During regular working hours	$78	I
During other than regular working hours	$101	I
Connect Fee – Establish new, permanent electrical connection service to a customer if no construction is required. This fee would not be charged to customers that require a reading to establish electric service in their name based on a coordinated connect.		
Non-coordinated connect during regular working hours	$26	N
Non-coordinated connect during other than regular working hours	$60	I
Re-fusing Customer Circuits – Service charge for re-fusing customer's circuits	$ 45	I
Service Call Fee – Service charge where trouble is found to be in customer's equipment:		
During regular working hours	$87	N
During other than regular working hours	$112	I
Meter Test – The first test is without charge to the customer. The charge for a new test within four years from previous test is:		
Self-contained meter	$36	I
CT or other meter	$62	I
Translation and Non-Standard Reports – Billed each time the Company provides, at the customer's request, meter pulse translation and any non-standard reporting	$26	N
Facilities Relocation Fee – will be charged to a customer requesting the relocation of Company's facilities	Actual Cost of Labor and Materials Used	
Meter Data Pulse Fee – Billed each month for meter data pulses furnished at customer's request provided customer has paid company for costs associated with installing necessary equipment.	0.69% of the amount of customer contribution	I

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RATE APPLICATION FOR MUNICIPAL ACCOUNTS REQUIRING REDUNDANT SERVICE

Type of Service: Redundant service is defined as those facilities, including metering equipment, to provide electric power and energy from an alternate source to municipal accounts served by the Company that require such redundant service.

Company's Standby Service Schedule (S) does not apply to service furnished hereunder.

Rate Application: The kilowatt-hours used on meter for redundant service plus kilowatt-hours equal to the redundant transformer no load losses at 100% voltage shall be added to kilowatt-hours used on regular meter for billing on appropriate rate plus a charge computed according to one of the following Alternates:

ALTERNATE 1 For Total Company Investment to Provide Redundant Service

There will be a charge each month equal to 1.76% (21.12% per year) of the Company investment, which is to include metering cost, to provide redundant service. I

Company Investment = $_____ x 1.76% = $_____ per month I

ALTERNATE 2 For Customer Contribution of the Total Investment to Provide Redundant Service

There will be a charge each month equal to 0.69% (8.28% per year) of Customer's contribution of the total investment to provide redundant service. I

Customer Contribution = $____ x 0.69% = $____ per month I

ALTERNATE 3 For Customer Desiring to Make a Contribution in Aid of Construction Toward the Investment Required to Provide the Redundant Service

There will be a charge each month equal to 1.76% (21.12% per year) of the Company investment, which is to include metering cost, to provide I
redundant service plus a charge each month equal to 0.69% (8.28% per year) of I
Customer's contribution toward the investment required to provide the redundant service.

Company Investment = $_____ x 1.76% = $_____ I
Customer Contribution = $_____ x 0.69% = $_____ I

Total Per Month $ _____

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EMERGENCY MAINTENANCE SERVICE

AVAILABILITY

This service is available for emergency repair and/or maintenance services to electric facilities owned by the Customer. The Company can only provide this service in the event of an emergency as defined in PUCT Subst. R. 25.343(g), which states:

> *…an "emergency situation" means a situation in which there is a significant risk of harm to the health or safety of a person or damage to the environment. In determining whether to provide the competitive energy service in an emergency situation, the utility shall consider the following criteria:*
>
> *(A) whether the customer's facilities are impaired or are in jeopardy of failing, and the nature of the health, safety, or environmental hazard that might result from the impairment or failure of the facilities; and*
>
> *(B) whether the customer has been unable to procure, or is unable to procure within a reasonable time, the necessary transformation and protection equipment or the necessary transmission or substation repair services from a source other than the electric utility.*
>
> *(C) whether provision of the emergency service to the customer would interfere with the electric utility's ability to meet its system needs.*

APPLICABILITY

Prior to providing services under this tariff schedule, the Customer must deliver (delivery may be delivered via facsimile) to the Company a letter stating the nature of the emergency based on the criteria in (A) and (B) in Availability above. In addition, the letter must clearly acknowledge that the requested maintenance and/or repair service is a competitive energy service and that the utility is not permitted to provide the service unless it is an emergency situation. The Company will make a determination as to its willingness to provide the service based on the information provided in the letter and the Company's assessment as to (C) in Availability above.

CHARGES FOR EMERGENCY SERVICES

Charges for providing services under this tariff schedule will be based on the costs of the Company. The charges for labor will be the Company's fully loaded overtime labor rate per hour for all employees involved in providing the emergency service. All materials required to be provided by the Company will be charged at the most current invoice price plus all applicable overheads. Should the Company be required to lease or contract for special equipment to perform the services under this tariff schedule, the costs of those leases or contracts will be billed at invoice price plus applicable overheads, if any.

TERMS OF PAYMENT

The Company will bill the Customer for emergency service provided under this subsection. All charges invoiced by the Company will be due and payable to the Company within 16 days of the Company rendering the invoice.

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EMERGENCY MAINTENANCE SERVICE

TERMS AND CONDITIONS

The Customer understands that the Company has no obligation to provide services under this tariff schedule and that the Company has the right to deny the provision of service under this tariff schedule. The Customer also understands that it is the Customer's responsibility to provide the Company with a written statement describing the emergency situation, pursuant to the definition contained in (A) and (B) under Availability above, and indicating its awareness that the service provided by the Company is a competitive energy service. The Customer also understands that such written communication must be delivered to the Company prior to the work being performed.

It is the Customer's obligation to dispose of any customer-owned facilities removed by the Company in performing services under this schedule.

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FEE FOR ADVANCED METERING EQUIPMENT INSTALLATION AND /OR ACCESS TO METER DATA

This fee will be charged to a Retail Customer or the Retail Customer's authorized representative requesting advanced Metering or access to Meter data for the Retail Customer. All fees must be paid prior to the service being provided. An AGREEMENT AND TERMS AND CONDITIONS FOR PULSE METERING EQUIPMENT INSTALLATION (PMEI) must be fully executed with the Company prior to the Company granting access to data outputs from its Meter. AEP will provide access to pulses to those requesting such service as specified in the PMEI Agreement.

All requests for advanced Metering or access to Meter data outputs will be considered a request for a solid-state Meter containing an internal Interval Data Recorder (IDR) with a single channel recorder. A customer may request remote interrogation in addition to Meter data outputs provided under this tariff at the listed price. The equipment that will be provided by the Company to meet the Customer's request under this tariff will be limited to equipment from manufacturers commonly stocked and utilized by the Company.

The applicable Fixed Price listed will cover the costs for a typical installation. A typical installation includes the installation of a solid-state IDR Meter containing a single channel recorder and capable of providing a single channel of data, where no isolation relay is required, and the Retail Customer's point of interconnection to the data output circuits (if requested) is adjacent to the billing Meter enclosure. An isolation relay is not required unless the meter will be installed within a substation, or for other non-typical installations.

An installation that takes more time, labor, metering requirements, or materials than the typical installation will be considered a non-typical installation and the requesting party will be charged a fee for non-typical installations based on the estimated cost incurred by the Company to install the facilities necessary to provide the requested service. The Company will present the Customer with an invoice of the itemized estimated costs and the Customer must pay the invoice in advance of the work being performed.

The Retail Customer will be responsible for providing all electrical work normally associated with a new billing Meter installation as stated in the PMEI. The Company retains the right of priority access to the billing Meter and data from the billing Meter.

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Request for Advanced Metering for a Typical Installation:

Applicable where the existing standard Meter is to be replaced with, or where no billing Meter currently exists and the installed Meter will be, a solid-state IDR Meter containing a single channel recorder and capable of providing only one channel of data and the Retail Customer is not requesting direct access to the billing Meter. The Fixed Price includes the advanced Meter.

Fixed Price if the existing billing Meter is a standard Meter	$173.00
Fixed Price if new installation with no existing billing Meter	$100.00

Request for K-Y-Z Outputs Only for a Typical Installation:

Applicable for providing data utilizing a solid-state IDR Meter containing a single channel recorder and capable of providing only one channel of data, no isolation relay is required, and the Retail Customer's point of interconnection to the data output circuits is adjacent to the billing Meter enclosure. The Fixed Price includes the advanced Meter.

Fixed Price if the existing billing Meter is a standard Meter	$312.00
Fixed Price if existing Meter is already advanced Metering or for a new installation where no billing Meter currently exists	$234.00

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FEE FOR ADVANCED METERING EQUIPMENT INSTALLATION AND /OR ACCESS TO METER DATA

Request for Remote Meter Reading Access Only for a Typical Installation:

Applicable for providing remote Meter reading capability utilizing a solid-state IDR Meter containing an internal modem, a single channel recorder, and capable of providing only one channel of data, no isolation relay is required, and the Retail Customer's point of interconnection to the data output circuits is adjacent to the billing Meter enclosure. The Fixed Price includes the advanced Meter.

Fixed Price if existing billing Meter is a standard Meter	$488.00
Fixed Price if existing billing Meter is already advanced Metering or for a new installation where no billing Meter currently exists	$410.00

Request for Both K-Y-Z Outputs and Remote Meter Reading Access for a Typical Installation:

Applicable for providing both remote Meter reading capability and K-Y-Z outputs utilizing a solid-state IDR Meter containing an internal modem, a single channel recorder, and capable of providing only one channel of data, no isolation relay is required, and the Retail Customer's point of interconnection to the data output circuits is adjacent to the billing Meter enclosure. The Fixed Price includes the advanced Meter.

Fixed Price if the existing billing Meter is a standard Meter	$564.00
Fixed Price if existing Meter is already advanced Metering or for a new installation where no billing Meter currently exists	$486.00

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FEE FOR ADVANCED METERING EQUIPMENT INSTALLATION AND /OR ACCESS TO METER DATA

Non-Typical Installations of Solid-State Advanced Metering, Providing K-Y-Z Outputs, Remote Meter Reading, or Any Combination of These Services:	Estimated cost to perform the requested advanced Metering equipment installation, calculated in accordance with the Company's approved tariff as it pertains to the activities and materials required for each specific work request at then-current costs.

SOUTHWESTERN ELECTRIC POWER COMPANY

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS I

AVAILABILITY

This schedule is available for Supplementary, Backup, Maintenance and As-Available Standby Power to customers that own and operate power production equipment or other source of power not held primarily for emergency use and that have a separate agreement for interconnection to Company's system stating those terms and conditions.

Service will be supplied at one point of delivery at locations where facilities of adequate capacity and suitable phase and voltage are available. Service may be provided on the Company's standard Contract for Electric Service, containing the Standard Terms and Conditions, stating the rate applicable to Supplementary Power and Energy, the Supplementary Power Contract Demand, the Backup Power Contract Demand, the Maintenance Power Contract Demand and the As-Available Standby Power Contract Demand that the Company is obligated to provide. The rate applicable to Supplementary Power and all energy is limited to the Lighting and Power Service Rate (LP), secondary and primary service.

DEFINITIONS

Supplementary Power is electric capacity supplied by the Company, regularly used by a Customer in addition to that which the Customer's generation facility regularly generates. The Supplementary Power Billing Demand shall be determined in the Supplementary Power Charge section of this tariff.

Maintenance Power is electric capacity supplied by the Company during scheduled outages of the Customer's facility to replace capacity which is ordinarily generated by the Customer's own generation. This capacity when supplied during each of the months of October through May to Customers with total generating capacity of less than 5,000 KW shall be considered to be scheduled and approved by the Company as Maintenance Power until such time as the aggregate generation of all customer-owned sources of power which are connected to the Company exceed 1% of the Company's peak system load. Customers with total generation capacity of 5,000 KW or greater must obtain written Company approval at least seven days in advance for a scheduled outage during the months of October through May or the use of capacity will be considered to be Supplementary Power. Maintenance Power will be supplied at the sole discretion of the Company, provided the Company is reasonably certain that a system peak will not be created during this period and providing the Company, in its judgment, has adequate capacity in its own system to supply the requested demand. Maintenance Power will normally not be available during the months of June through September.

Maintenance Power Demand is the Kilowatts of Billing Demand that exceed the Supplementary Power Billing Demand during the period approved for maintenance power usage. If As-Available Standby Power has been requested during this period, then for billing purposes, the Maintenance Power Demand will be equal to the Maintenance Power Contract Demand.

Backup Power is electric capacity supplied by the Company during an unscheduled outage of the Customer's facility to replace capacity ordinarily provided by the Customer's own generation.

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS I

However, any capacity supplied by the Company during an unscheduled outage of the Customer's facility to replace that which is ordinarily provided by the Customer's own generation during the months of June through September shall be considered as Backup Power or As-Available Standby Power if approved by the Company. The Customer shall notify the Company's system dispatcher as soon as reasonably possible when requesting the initiation and termination of Backup Power. The Customer shall also provide written documentation to the Company within 24 hours or on the first working day following a weekend or holiday confirming the date and time of both the initiation and termination of Backup Power.

Backup Power Demand is the Kilowatts of Billing Demand that exceed the Supplementary Power Billing Demand during the period of Backup Power usage. If As-Available Standby Power has been requested during this period, then for billing purposes, the Backup Power Demand will be equal to the Backup Power Contract Demand.

Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month.

As-Available Standby Power is electric capacity supplied by the Company during a scheduled or unscheduled outage of the Customer's facility to replace capacity which is provided by the Customer's own generation. Customer may request As-Available Standby Power at any time subject to the conditions specified herein. However, the Customer must request and receive prior approval from Company each time As-Available Standby Power is required and must also notify the Company when As-Available Standby Power is to be discontinued.

When Customer experiences a forced outage of his power production facilities, Customer must request approval from Company's dispatcher for continued use of As-Available Standby Power after the forced outage has occurred and use of As-Available Power has begun. This provision for after-the-fact request and approval shall apply only if Customer has contacted the Company's system dispatcher for approval as soon as reasonably possible. All requests for and terminations of As-Available Standby Power shall be confirmed in writing to the Company by the Customer within 24 hours of the request or termination.

As-Available Standby Power will be available solely at the discretion of the Company. At the request of the Company, the Customer will cease use of As-Available Standby Power within ten (10) minutes after notification from the Company that approval for continued use of that As-Available Standby Power is denied. Use of As-Available Standby Power will be subject to immediate interruption for emergency system conditions.

As-Available Standby Power Demand is the kilowatts of capacity requested by the Customer. This capacity is in addition to any capacity associated with Supplementary, Backup, or Maintenance Power.

SOUTHWESTERN ELECTRIC POWER COMPANY

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS I

MONTHLY RATE

The monthly billing shall be the sum of (I) the Supplementary Power Charge, plus (II) the Backup Power Charge, plus (III) the Maintenance Power Charge, plus (IV) the As-Available Standby Power Charge, plus (V) the Energy Charge.

I. SUPPLEMENTARY POWER CHARGE:

The Lighting and Power Service Rate, with modifications to the provisions for the Determination of Kilowatts of Billing Demand and the Power Factor Adjustment, as specified herein, will be applied to any and all electric capacity actually supplied by the Company during the month, except for any Maintenance Power Demand, any Backup Power Demand, and As-Available Standby Power Demand.

Determination of Supplementary Power Billing Demand

When neither Backup, Maintenance, nor As-Available Standby Power are being used, the Supplementary Power Billing Demand will be the Kilowatts of Billing Demand established by the Customer, subject to the Minimum Monthly Bill provisions specified in the Lighting and Power Service Rate. When Backup, Maintenance, or As-Available Standby Power is taken in conjunction with Supplementary Power, the Supplementary Power Billing Demand will be the greatest of:

A. Supplementary Power Contract Demand as specified in the Contract for Electric Service,

B. The Kilowatts of Billing Demand less the Backup Power Contract Demand when Backup Power is being used, less the Maintenance Power Contract Demand when Maintenance Power is being used, less the As-Available Standby Power Demand requested.

C. Supplementary Power Billing Demand of the current month or of the highest Supplementary Power Billing Demand of the previous eleven months.

II. BACKUP POWER CHARGE:

Company agrees to supply Backup Power up to but not exceeding the Backup Power Contract Demand. The Backup Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless the Customer can demonstrate a higher capability for its unit(s). The Backup Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company.

Monthly Rate For Backup Power:

The Monthly Rate for Backup Power will be the kilowatts of Backup Power Demand times 29.87¢ per KW per day for primary service or 38.42¢ per KW per day for secondary I
service but not less than six days per request for primary service or seven days per request for secondary service, plus a monthly rate of $1.79 per KW for primary or $2.67 per KW for I

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS I

secondary Backup Power Contract Demand in excess of the greater of either the Maintenance Power Demand or the Backup Power Demand furnished in the month.

III. MAINTENANCE POWER CHARGE:

The Company agrees to supply Maintenance Power up to but not exceeding the Maintenance Power Contract Demand. Maintenance Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless Customer can demonstrate a higher capability for its unit(s). The Maintenance Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company. Upon approval by the Company, Maintenance Power may be scheduled for three occurrences in a calendar year during the months of January through May and October through December for each of the Customer's generating unit(s) provided Customer provides the Company at least seven days prior notice of intent to perform maintenance. In the event maintenance exceeds the scheduled time period provided by the Customer and agreed to by the Company or exceeds a maximum of 60 days total per calendar year, unless it is agreed to extend Maintenance Power or supply Backup Power, by written request by the Customer and written consent of the Company, such excess use of capacity will be billed as Supplementary Power.

Monthly Rate For Maintenance Power

The Monthly Rate for Maintenance Power will be the kilowatts of Maintenance Power times 14.93¢ per KW per day for primary service or 19.26¢ per KW per day for secondary I
service but not less than twelve days per request for primary service or fourteen days per request for secondary service, plus a monthly rate of $0.90 per KW for primary or $1.34 I
per KW for secondary Maintenance Power Contract Demand in excess of the greater of either the Maintenance Power Demand furnished in the month or the Backup Power Contract Demand.

IV. AS-AVAILABLE STANDBY POWER CHARGE:

The Company agrees to supply As-Available Standby Power up to but not exceeding the As-Available Standby Power Contract Demand. The As-Available Standby Power Contract Demand shall not exceed the name plate rating of the Customer's generating unit(s) unless the Customer can demonstrate a higher capacity for its unit(s). The As-Available Standby Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company.

Monthly Rate for As-Available Power:

The monthly rate for As-Available Power will be the kilowatts of As-Available Standby Power Demand times $1.35 per KW for primary service or $1.75 per KW for secondary I
service.

V. ENERGY CHARGE:

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The monthly rate for all energy used during the month will be the kilowatt-hour charge as set forth in the Lighting and Power Service Rate.

VI. POWER FACTOR ADJUSTMENT - KILOVAR CHARGE:
The Kilovars of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the Customer during the 15-minute period of maximum kilovar use during the month. A charge of $0.38 per month shall be made for each Kilovar of Reactive Demand exceeding 50% of the Kilowatts of Billing Demand. I

TERMS AND CONDITIONS

Service provided under the terms of this tariff will be furnished under the Company's standard contract containing the Standard Terms and Conditions and will be recognized as an exemption to the Exclusive Service Clause of the Company's Standard Terms and Conditions.

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SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS II

AVAILABILITY

This schedule is available for Supplementary, Backup, Maintenance and As-Available Standby Power to customers that own and operate power production equipment or other source of power not held primarily for emergency use and that have a separate agreement for interconnection to Company's system stating those terms and conditions.

Service will be supplied at one point of delivery, along Company's existing transmission lines of 69 KV or higher at locations where facilities of adequate capacity and suitable phase and voltage are available. Service may be provided on the Company's standard Contract for Electric Service, containing the Standard Terms and Conditions, stating the rate applicable to Supplementary Power and Energy, the Supplementary Power Contract Demand, the Backup Power Contract Demand, the Maintenance Power Contract Demand and the As-Available Standby Power Contract Demand that the Company is obligated to provide. The rate applicable to Supplementary Power and all energy is limited to the Large Lighting and Power Service Rate (LLP), transmission service.

DEFINITIONS

Supplementary Power is electric capacity supplied by the Company, regularly used by a Customer in addition to that which the Customer's generation facility regularly generates. The Supplementary Power Billing Demand shall be determined in the Supplementary Power Charge section of this tariff.

Maintenance Power is electric capacity supplied by the Company during scheduled outages of the Customer's facility to replace capacity which is ordinarily generated by the Customer's own generation. This capacity when supplied during each of the months of October through May to Customers with total generating capacity of less than 5,000 KW shall be considered to be scheduled and approved by the Company as Maintenance Power until such time as the aggregate generation of all customer-owned sources of power which are connected to the Company exceed 1% of the Company's peak system load. Customers with total generation capacity of 5,000 KW or greater must obtain written Company approval at least seven days in advance for a scheduled outage during the months of October through May or the use of capacity will be considered to be Supplementary Power. Maintenance Power will be supplied at the sole discretion of the Company, provided the Company is reasonably certain that a system peak will not be created during this period and providing the Company, in its judgment, has adequate capacity in its own system to supply the requested demand. Maintenance Power will normally not be available during the months of June through September.

Maintenance Power Demand is the Kilowatts of Billing Demand that exceed the Supplementary Power Billing Demand during the period approved for maintenance power usage. If As-Available Standby Power has been requested during this period, then for billing purposes, the Maintenance Power Demand will be equal to the Maintenance Power Contract Demand.

Backup Power is electric capacity supplied by the Company during an unscheduled outage of the Customer's facility to replace capacity ordinarily provided by the Customer's own generation.

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS II

However, any capacity supplied by the Company during an unscheduled outage of the Customer's facility to replace that which is ordinarily provided by the Customer's own generation during the months of June through September shall be considered as Backup Power or As-Available Standby Power if approved by the Company. The Customer shall notify the Company's system dispatcher as soon as reasonably possible when requesting the initiation and termination of Backup Power. The Customer shall also provide written documentation to the Company within 24 hours or on the first working day following a weekend or holiday confirming the date and time of both the initiation and termination of Backup Power.

Backup Power Demand is the Kilowatts of Billing Demand that exceed the Supplementary Power Billing Demand during the period of Backup Power usage. If As-Available Standby Power has been requested during this period, then for billing purposes, the Backup Power Demand will be equal to the Backup Power Contract Demand.

Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month.

As-Available Standby Power is electric capacity supplied by the Company during a scheduled or unscheduled outage of the Customer's facility to replace capacity which is provided by the Customer's own generation. Customer may request As-Available Standby Power at any time subject to the conditions specified herein. However, the Customer must request and receive prior approval from Company each time As-Available Standby Power is required and must also notify the Company when As-Available Standby Power is to be discontinued. When Customer experiences a forced outage of his power production facilities, Customer must request approval from Company's dispatcher for continued use of As-Available Standby Power after the forced outage has occurred and use of As-Available Power has begun. This provision for after-the-fact request and approval shall apply only if Customer has contacted the Company's system dispatcher for approval as soon as reasonably possible. All requests for and terminations of As-Available Standby Power shall be confirmed in writing to the Company by the Customer within 24 hours of the request or termination.

As-Available Standby Power will be available solely at the discretion of the Company. At the request of the Company, the Customer will cease use of As-Available Standby Power within ten (10) minutes after notification from the Company that approval for continued use of that As-Available Standby Power is denied. Use of As-Available Standby Power will be subject to immediate interruption for emergency system conditions.

As-Available Standby Power Demand is the kilowatts of capacity requested by the Customer. This capacity is in addition to any capacity associated with Supplementary, Backup, or Maintenance Power.

MONTHLY RATE

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The monthly billing shall be the sum of (I) the Supplementary Power Charge, plus (II) the Backup Power Charge, plus (III) the Maintenance Power Charge, plus (IV) the As-Available Standby Power Charge, plus (V) the Energy Charge.

I. SUPPLEMENTARY POWER CHARGE:

The Large Lighting and Power rate, with modifications to the provisions for the Determination of Kilowatts of Billing Demand and the Power Factor Adjustment, as specified herein, will be applied to any and all electric capacity actually supplied by the Company during the month, except for any Maintenance Power Demand, any Backup Power Demand, and As-Available Standby Power Demand.

Determination of Supplementary Power Billing Demand

When neither Backup, Maintenance, nor As-Available Standby Power are being used, the Supplementary Power Billing Demand will be the Kilowatts of Billing Demand established by the Customer, subject to the Kilowatts of Billing Demand provisions specified in the Large Lighting and Power Rate. When Backup, Maintenance, or As-Available Standby Power is taken in conjunction with Supplementary Power, the Supplementary Power Billing Demand will be the greatest of:

A. Supplementary Power Contract Demand as specified in the Contract for Electric Service,

B. The Kilowatts of Billing Demand less the Backup Power Contract Demand when Backup Power is being used, less the Maintenance Power Contract Demand when Maintenance Power is being used, less the As-Available Standby Power Demand requested,

C. Supplementary Power Billing Demand of the current or 80% of the highest Supplementary Power Billing Demand of the previous eleven months.

II. BACKUP POWER CHARGE:

Company agrees to supply Backup Power up to but not exceeding the Backup Power Contract Demand. The Backup Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless the Customer can demonstrate a higher capability for its unit(s). The Backup Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company.

Monthly Rate For Backup Power

The Monthly Rate for Backup Power will be the kilowatts of Backup Power Demand times 27¢ per KW per day but not less than four days per request, plus a monthly rate of $1.07 per kilowatt of Backup Power Contract Demand in excess of the greater of either the Maintenance Power Demand or the Backup Power Demand furnished in the month. I

III. MAINTENANCE POWER CHARGE:

SOUTHWESTERN ELECTRIC POWER COMPANY

SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS II

The Company agrees to supply Maintenance Power up to but not exceeding the Maintenance Power Contract Demand. Maintenance Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless Customer can demonstrate a higher capability for its unit(s). The Maintenance Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company. Upon approval by the Company, Maintenance Power may be scheduled for three occurrences in a calendar year during the months of January through May and October through December for each of the Customer's generating unit(s) provided Customer provides the Company at least seven days prior notice of intent to perform maintenance. In the event maintenance exceeds the scheduled time period provided by the Customer and agreed to by the Company or exceeds a maximum of 60 days total per calendar year, unless it is agreed to extend Maintenance Power or supply Backup Power, by written request by the Customer and written consent of the Company, such excess use of capacity will be billed as Supplementary Power.

Monthly Rate For Maintenance Power

The Monthly Rate for Maintenance Power will be the kilowatts of Maintenance Power times 13¢ per KW per day but not less than eight days per request, plus a monthly rate of $0.54 per kilowatt of Maintenance Power Contract Demand in excess of the greater of either the Maintenance Power Demand furnished in the month or the Backup Power Contract Demand. I

IV. AS-AVAILABLE STANDBY POWER CHARGE:

The Company agrees to supply As-Available Standby Power up to but not exceeding the As-Available Standby Power Contract Demand. The As-Available Standby Power Contract Demand shall not exceed the nameplate rating of the Customer's generating unit(s) unless the Customer can demonstrate a higher capacity for its unit(s). The As-Available Standby Power Contract Demand can be adjusted annually with written request by the Customer and with written consent of the Company.

Monthly Rate for As-Available Power

The monthly rate for As-Available Power will be the kilowatts of As-Available Standby Power Demand times $0.32 per KW. I

V. ENERGY CHARGE:

The monthly rate for all energy used during the month will be the kilowatt-hour charge as set forth in the Large Lighting and Power rate.

VI. POWER FACTOR ADJUSTMENT - KILOVAR CHARGE

The Kilovars of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the Customer during the 15-minute period of maximum kilovar use during the month. A charge of $0.38 per month shall be made for each Kilovar of Reactive Demand exceeding 50% of the Kilowatts of Billing Demand. I

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SUPPLEMENTARY, BACKUP, MAINTENANCE AND AS-AVAILABLE STANDBY POWER SERVICE - CLASS II

TERMS AND CONDITIONS

Service provided under the terms of this tariff will be furnished under the Company's standard contract containing the Standard Terms and Conditions and will be recognized as an exemption to the Exclusive Service Clause of the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

AS-AVAILABLE STANDBY POWER SERVICE

AVAILABILITY

This schedule is available for As-Available Standby Power taken at one point of delivery for power which may be substituted for power generated by Customer-owned and operated power production equipment or other source of power not held primarily for emergency use. As-Available Standby Power may be used only during periods of scheduled outages for maintenance or to back-up the Customer's facilities during forced outages and may be taken in addition to service taken under Lighting and Power or Large Lighting and Power rates.

The Customer must provide on a monthly basis records demonstrating to the satisfaction of the Company that each days use of the As-Available Standby Power was required due to maintenance or forced outages of the Customer's power production facilities.

Service is available under this rate only if, in the Company's sole judgment, the utilization of such service is of such character that service can be denied, interrupted or discontinued at any time by Company without loss to Customer or damage to property or persons and without adversely affecting the public health, safety, and welfare.

As-Available Standby Power is available at one point of delivery only if existing facilities, including, but without limitation, transmission and distribution facilities are adequate or if adequate facilities can be built or rebuilt at Customer's expense to provide such service and if service to Customer will not, in Company's sole judgment, impair Company's ability to serve the requirements of its other customers at any time. Service will be provided on the Company's standard Contract for Electric Service to Customers that have a separate agreement for interconnection to Company's system stating these terms and conditions.

CONDITIONS OF SERVICE

Customer may request As-Available Standby Power at any time subject to the conditions specified herein. However, the Customer must request and receive prior approval from Company each time As-Available Standby Power is required and must also notify the Company when As-Available Standby Power is to be discontinued. When Customer experiences a force outage of his power production facilities, Customer may request approval from Company's dispatcher for continued use of As-Available Standby Power after the forced outage has occurred and use of As-Available Standby Power has begun. This provision for after-the-fact request and approval shall apply only if Customer has contacted the Company's system dispatcher for approval as soon as reasonably possible. All requests for and terminations of As-Available Standby Power shall be confirmed in writing to the Company by the Customer within 24 hours of the request or termination.

In the event that Company is unable to grant approval for continued use of As-Available Standby Power, Customer will cease such use of As-Available Standby Power within ten (10) minutes after notification from the Company that approval for continued use of that As-Available Standby Power is denied.

Company may require a switching arrangement, to be provided and maintained at Customer's expense, such that intentional interruptions will be under Company's sole control. If, in the

AS-AVAILABLE STANDBY POWER SERVICE

Company's judgment, Customer has adequate personnel and facilities, Company may elect to give notice of interruption by telephone, allowing Customer's personnel to carry out an interruption procedure subject to approval by Company.

The cost to the Company of providing any facilities necessary to connect the Customer's load to the system of the Company and to interrupt the Customer's load will be paid for by the Customer in accordance with the Company's approved Monthly Charge for Special or Additional Facilities.

The Kilowatts of As-Available Standby Power the Customer desires will be specified in Company's standard Contract for Electric Service and will be limited to the design capacity of the Customer's power production facilities. Customer shall not have the right to increase its As-Available Standby Power except to the extent that Company has consented in writing to Customer's written request to increase such load within a specified time under terms of the Agreement as supplemented herein.

Company will provide, at the Customer's expense, additional metering equipment on the service and/or the Customer's generating source as determined by Company to be necessary, to provide service under this rate.

Company may, at its option, require Customer to install at Customer's expense a device to limit the amount of power to be supplied by Company; such device to be approved, sealed and controlled by Company.

MONTHLY RATE
The monthly payment for Customer's electrical service requirements will be the sum of A and B below:

Charges for any power used in addition to As-Available Standby Power will be computed in accordance with all provisions of the Rate Schedule(s) specified in the Contract for Electric Service with modification to the Power Factor Adjustment Provision. Such charges and provisions are applicable to the total metered kWh and KW including that portion of Customer's load for which As-Available Standby Power is provided, whether metered separately or in combination with other load through the same meter, except as follows:

(1.) During periods when Company provides As-Available Standby Power in accordance with the provisions of this rate, the KW to be used for billing determinations shall be based on Customers' 15-minute period of maximum use minus the Kilowatts of As-Available Standby Power requested.

(2.) The kWh to be used for billing determinations shall be the metered kWh minus the sum of each request for the As-Available Standby Power KW requested times the number of hours associated with each request.

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AS-AVAILABLE STANDBY POWER SERVICE

B. Charges of As-Available Standby Power will be computed as follows:

Customer Charge:
A Customer Charge in the amount of $54.87 per month to defray Company's cost of accounting, meter reading, bill preparation, etc. I

Kilowatt Charge:

Per Kilowatt of As-Available Standby Power Requested	Secondary Service	Primary Service	Transmission Service	
	$1.75	$1.35	$0.32	I

Kilowatt-Hour Charge:
Per kilowatt-hour for the sum of each request for As-Available Standby Power requested times the number of hours associated with each request:

Secondary Service	Primary Service	Transmission Service	
.634¢	.611¢	.586¢	I

Kilovar Charge:
The Kilovars of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the Customer during the 15-minute period of maximum kilovar use during the month. A charge of $0.38 per month shall be made for each Kilovar of Reactive Demand exceeding 50% of the Kilowatts of Billing Demand.

Fuel Cost Component Of Monthly Rates: T
In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, PUCT Sheet IV-34.

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N

Capacity Charge for Highly Fluctuating Loads:
Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service of other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

PAYMENT FOR SERVICE
Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total

AS-AVAILABLE STANDBY POWER SERVICE

monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under the Company's standard contract containing the Standard Terms and Conditions and will be recognized as an exemption to the Exclusive Service Clause of the Company's Standard Terms and Conditions.

SOUTHWESTERN ELECTRIC POWER COMPANY

STANDBY SERVICE SCHEDULE (S)

APPLICABILITY

This schedule is applicable in conjunction with the Company's standard Contract for Electric Service for a period of not less than twelve consecutive months to all electric power and energy supplied by the Company to a Customer using the Company's service as a standby, reserve, or alternate source of supply in connection with the Customer's privately owned plant or other source of supply.

MONTHLY RATE

Standby Charge:

Service:	Secondary	Primary	Transmission		
	$6.98	$6.65	$6.29	per month per kilowatt or fraction thereof, based upon	I

(a) the number of kilowatts the Company is so obligated to stand ready to supply; or
(b) the number of Kilowatts of Billing Demand, whichever is greater.

Kilowatt-hour (kWh)Charge: 0.25¢ per kWh I

Minimum Monthly Bill: The minimum monthly bill shall be the Standby Charge.

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15 minute period of maximum use during the month, but not less than the Kilowatts of Billing Demand established during any preceding month. The Kilowatts of Billing Demand will be subject to the Power Factor Adjustment Clause.

The Company agrees to stand ready to supply the Customer at all times during the life of this contract electric service up to the amount specified in the contract or if the contract provides for a monthly minimum demand, then not less than the number of kilowatts constituting such monthly minimum demand.

If at any time during the life of this contract, the Customer should notify the Company in writing that he desires to have the Company supply electric service in excess of the amount stated in the contract, and the Company agrees to do so, the Company will thereafter stand ready to supply such Company increased amount.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill.

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STANDBY SERVICE SCHEDULE (S)

POWER FACTOR ADJUSTMENT

The Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month be determined to be below 90%, the Customer's Kilowatts of Billing Demand will be adjusted by multiplying the Kilowatts of Billing Demand by 90% and dividing by the average lagging power factor.

GENERAL TERMS

When required by the Company, the Customer will at his own expense furnish, install and connect a suitable circuit breaker, which will be under the control and regulation of the Company and of a character approved by the Company, and which will be set to break the connection with the Company's service in case the Customer's demand should at any time exceed the number of kilowatts, at 90% power factor, which the Company is then obliged to stand ready to supply hereunder. The Customer will not in any way interfere with the adjustment or operation of such circuit breaker. When required by the Company, the Customer will at his own expense also furnish and install a locked steel box to contain such circuit breaker.

If at any time while the Customer is using the Company's electric service hereunder his demand should be so great as to cause the circuit breaker to open the circuit, the Company will renew the connection upon due notice and upon receiving satisfactory assurance that the

Customer’s demand will be reduced to an amount not to exceed the number of kilowatts the Company is then obliged to stand ready to supply hereunder.

The Customer will not at any instant operate his source of supply in conjunction with the Company's service and will, in any event, reimburse the Company for any loss or damage sustained by the Company by reason of his use of Company's service hereunder.

In case of a conflict between any provision of this schedule and Company's contract for electric service, the provision of this schedule shall apply.

Service under this schedule is special and the Company shall not be obligated to furnish such service unless it has, in its judgment, sufficient capacity available in generation, transmission, and transformation equipment for such service.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kwh provided in the Fixed Fuel Factor schedule, Sheet IV-34. T

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff. N D

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 5% of the total monthly

STANDBY SERVICE SCHEDULE (S)

bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS
Service will be furnished under the Company's Standard Terms and Conditions.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

AVAILABILITY

This Qualified Facility Non-Firm Power Purchase Schedule (Option A) is only available as part of a contract between the Company and a QF and shall apply to purchases by the Company at Company's transmission, primary or secondary voltage levels for energy generated by qualified small power production and cogeneration facilities with a combined design capacity of more than 100 KW but not in excess of 5,000 KW. QF's electrical requirements supplied by the Company shall be separately metered and billed in accordance with the applicable rate schedules. The rules under which small power production and cogeneration facilities can obtain qualifying status are defined by Subchapter K, part 292, Subpart B of the final rules issued by the Federal Energy Regulatory Commission to implement Section 201 & 210 of the Public Utility Regulatory Policies Act of 1978.

PAYMENT SCHEDULE

The payment shall be determined in accordance with (I) and (II) below.

(I.) RATE

(A) Monthly QF Charge (Payable by QF)
The QF will pay a Monthly QF Charge covering such items as customer accounting expenses, administrative expenses, and general expenses incurred in servicing the QF in accordance with contract terms. The charge will be $70 per month and may be adjusted by the Company with approval of the Commission to reflect changes in actual costs.

(B) Monthly Kilowatt-Hour (KWH) Payment (Payment by Company)
Payment to the QF for energy delivered in Company's system with adjustment as provided in (II) will be determined as follows:

(1) Company will meter the KWHs delivered by the QF into the Company's system and will adjust the metered KWHs by the loss adjustment specified by the contract to determine the adjusted KWHs to be used for determining payments.

(2) Company will pay for the adjusted KWHs at ninety-nine percent (99%) of the estimated Weighted Average Cost of Gas (WACOG) utilized in the Company's generating plants.

(3) Company will pay the variable operating and maintenance expense of $0.00026 per kilowatt-hour for the adjusted kilowatt-hours.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

(II.) ADJUSTMENTS

(A) A correction adjustment will be made in the current month's payment to reflect the difference between ninety-nine percent (99%) of the Company's estimated and ninety-nine percent (99%) of the actual WACOG utilized in the Company's generating plants during prior months. The actual WACOG will be determined using the sum of the kilowatt-hours generated at SWEPCO's gas-fired plants and the corresponding cost of gas as reported in the Monthly Fuel Efficiency Reports filed by the Company with the Public Utility Commission of Texas. The WACOG will be determined by dividing the total purchased cost of gas by the total kilowatt-hours produced by such gas; the "total purchased cost of gas" and the "total kilowatt-hours produced by such gas" for the monthly calculation should be calculated as the sum of the relevant data from the Monthly Fuel Efficiency Reports as follows:

For the first twelve monthly billing periods following the billing period during which the Commission issued its order for approving this tariff in Docket No. 9655:	Current month plus three prior months
During the next twelve monthly billing periods following the billing period during which the Commission issued its order approving this tariff in Docket No. 9655:	Current month, plus four prior months
Thereafter:	Current month, plus five prior months

Prior period adjustments contained in the Company's Monthly Fuel Efficiency Reports which are attributable to a settlement or judgment in Cause No. 56-91 in the 276th Judicial District Court in Marion County, Texas, styled Southwestern Electric Power Company vs. Delhi Gas Pipeline Corporation shall not be considered a part of the "total purchased cost of gas" for the purpose of performing the monthly calculation of the WACOG.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

During a month in which the Company's WACOG, as calculated above, is zero because no cost of gas is reported in the Monthly Fuel Efficiency Reports for the entire averaging period then in effect (4, 5 or 6 months) the payment to qualifying facilities should be based upon the kilowatt-hours generated at SWEPCO's coal-fired plants and the corresponding cost of coal, as reported by the Company in the Monthly Fuel Efficiency Report filed with the Public Utility Commission of Texas for the applicable averaging period then in effect (4, 5 or 6 months).

(B) When the QF does not contract to purchase power, and equipment is installed to prevent such purchase, the current month's payment will be reduced for any inadvertent consumption due to relaying time delay.

(C) Only when a QF does not have a contract for Supplementary, Standby and Maintenance, As-Available Standby or Interruptible Power Service, the QF will pay $0.35 per Kilovar of Reactive Demand delivered into the QF's system. The Kilovar of Reactive Demand will be recorded each month by the Company and will be the average kilovars used by the QF during the 15-minute period of maximum kilovar use during the month.

BILLING

The Company shall send a statement and payment to the QF on or before the 20th day after the QF's meter is read. The statement will show the total kilowatt-hours, if any, delivered to the Company during the period, customer charges payable to the Company, and total amount due.

Payments for service will be monthly, unless otherwise specified. The term "month" for payment purposes will mean the period between any two consecutive readings of the meters by the Company, such readings to be taken as nearly as practical every 30 days.

NUMBER OF INTERCONNECTIONS

There shall be only one point of interconnection under each contract.

TERMS AND CONDITIONS

The attached TERMS AND CONDITIONS FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION are applicable to each contract.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

AVAILABILITY

The Qualified Facility Non-Firm Power Purchase Schedule is only available as part of a contract between the Company and a QF and shall apply to purchases by the Company at Company's transmission, primary or secondary voltage levels for energy generated by qualified small power production and cogeneration facilities with a design capacity of more than 100 KW. Effective May 29, 2008 this schedule will be closed to new purchase obligations or contracts with QF's with a net capacity in excess of 20,000 kW. QF's electrical requirements supplied by the Company shall be separately metered and billed in accordance with the applicable rate schedules. The rules under which small power production and cogeneration facilities can obtain qualifying status are defined by Subchapter K, Part 292, Subpart B of the final rules issued by the Federal Energy Regulatory Commission to implement Section 201 & 210 of the Public Utility Regulatory Policies Act of 1978.

PAYMENT SCHEDULE

The payment shall be determined in accordance with Attachment A, "A Description of Avoided Energy Cost Calculation for Non-Firm Energy on the SWEPCO system."

ADJUSTMENTS:

(1) When the QF does not contract to purchase power, and equipment is installed to prevent such purchase, the current month's payment will be reduced for any inadvertent consumption due to relaying time delay.

(2) Only when a QF does not have a contract for Supplementary, Standby and Maintenance, As-Available Standby or Interruptible Power Service, the QF will pay $0.35 per Kilovar of Reactive Demand delivered into the QF's system. The Kilovar of reactive Demand will be recorded each month by the Company and will be the average kilovars used by the QF during the 15-minute period of maximum kilovar use during the month.

BILLING

The Company shall send a statement and payment to the QF on or before the 20th day after the QF's meter is read. The statement will show the total kilowatt-hours, if any, delivered to the Company during the period, customer charges payable to the Company and total amount due. Payments for service will be monthly, unless otherwise specified. The term "month" for payment purposes will mean the period between any two consecutive readings of the meters by the Company, such readings to be taken as nearly as practical every 30 days.

NUMBER OF INTERCONNECITONS

There shall be only one point of interconnection under each contract.

SOUTHWESTERN ELECTRIC POWER COMPANY

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

TERMS AND CONDITIONS

The attached TERMS AND CONDITIONS FOR INTERCONNECTION OF CUSTOMER-OWNED GENERATION are applicable to each contract.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

ATTACHMENT A

SOUTHWESTERN ELECTRIC POWER COMPANY

A DESCRIPTION OF
AVOIDED ENERGY COST CALCULATION
FOR NON-FIRM ENERGY
ON THE SWEPCO SYSTEM

SOUTHWESTERN ELECTRIC POWER COMPANY

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

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QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

I. EXECUTIVE SUMMARY

A. INPUTS TO THE CALCULATIONS

SWEPCO's avoided cost for non-firm energy is calculated on an hour-by-hour basis. This calculation takes into consideration the following for the SWEPCO System and the other AEP West Operating Companies: T

1. Total load and generation during each clock hour.
2. The contribution to total production cost from each generating unit.
3. The efficiency curves (incremental heat rate and input/output) for each generator.
4. The cost of incremental or decremental fuel (or "swing" fuel) for each generator.
5. Constraints on the minimum or maximum output of each generator.
6. Transmission Loss Penalty Factors (when appropriate) for each unit.
7. Transmission system limitations and the associated requirement of must run generators.
8. Change in interchange between AEP West affiliates. T
9. The total QF generated energy (QF Block Size) on the SWEPCO System which will be determined from telemetered or verbal communication to the generation dispatch office. T
10. The location and size of each QF generator supplying energy to the SWEPCO system.
11. Variation in SWEPCO transmission and distribution system losses due to the QF supplying energy to the SWEPCO system.
12. Variable O&M costs on the SWEPCO system which are based on The Federal Energy Regulatory Commission (FERC) system of accounts.
13. Start-up cost for each SWEPCO generating unit.

B. COMPUTATON OF AVOIDED FUEL COST

AEP Service Corporation (AEPSC) performs an economic dispatch which determines the amounts of generation and interchange for each Operating Company to satisfy the total AEP West System requirements. Following the real-time dispatch, AEPSC performs several reconstruction dispatches T

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

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to determine the participation of each AEP West Operating Company in both Off-System (non-AEP West) and On-System (within AEP West) energy transactions. AEPSC also performs the avoided cost calculation for non-firm QF generated energy delivered into the system..

Production costs are calculated for each hour with and without the QF generated energy considered available. The effect of QF generated energy not being available would produce the requirement for a corresponding change in SWEPCO's generation and a change in interchange. T

SWEPCO's total cost difference, consisting of a change in SWEPCO's production cost and the change in interchange cost for each hour, (with and without QF generated energy) is divided by the MW hour of QF Block Size for each hour in the day to determine an avoided cost in dollars per MWH.

Section V provides additional information on this computation.

C. COMPUTATION OF LOSS EFFECT

A loss factor accounts for the variation in transmission and distribution system losses attributable to the presence of QF generated energy (Item ll above). This calculation takes into consideration Item 10 listed hereinabove. T

Section VI describes this computation.

D. COMPUTATION OF O&M AND TABULATION OF METERING

The information provided in Parts 12 and 2 above are merged with the QFs' metered information, which is the hour by hour QF generated energy delivered into SWEPCO's system. The variable O&M (Item 12 listed hereinabove) is added to the hourly avoided cost. T

T

Section VII describes this procedure.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

II. PAYMENT FOR PURCHASED ENERGY

SWEPCO will pay the QF for energy received from the QF at a rate equal to SWEPCO's adjusted avoided energy cost (A.A.E.C.) which is described as follows:

Adjusted Avoided Energy Costs

SWEPCO will determine, with a high degree of accuracy, Avoided Energy Costs (A.E.C.) for a predetermined block of energy. The A.E.C. will be equal to the costs of energy generated or purchased that SWEPCO did not incur as a result of that energy source being furnished by the QF. All QF's will be considered as one block of energy. Using this method, SWEPCO will purchase energy from QF's facilities using the following formula. T

A.A.E.C. = .99 x (A.E.C.)
where
A.A.E.C. = Adjusted avoided energy costs
A.E.C. = Avoided energy cost (mills per KWH)

Payment to the QF for each clock hour will equal the KWH delivered to SWEPCO in such hour multiplied by the A.A.E.C. for such hour. The total dollar payment to the QF will be the summation of the hourly payments for hours in the payment period. The avoided energy costs will be determined from actual operations described above. If the QF requests in writing and within six months of payment period, SWEPCO shall make available supporting documents from which calculations were made.

Payments for purchased energy will be made by SWEPCO within twenty (20) days after issuance of SWEPCO's monthly bill to the QF. Payment will be delivered by deposit in U.S. Mail First Class and addressed as previously designated by the QF in writing.

There will be no payment for capacity associated with such purchased energy.

QF will pay a five hundred dollar ($500) monthly charge to SWEPCO to compensate for the computation and billing of the A.A.E.C. This charge will be payable with the monthly statement to the QF regardless of whether SWEPCO has purchased electricity from the QF during such billing period.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

In the event the PUCT enters an order authorizing SWEPCO to make any change in the administrative costs which SWEPCO is now recovering from QFs in accordance with

Substantive Rule 23.66 (g) (2) (E) such change shall be automatically implemented as a part of this contract effective as of the date of such order.

This Exhibit is subject to all laws and governmental regulations.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

III. AN EXPLANATION OF A TYPICAL UTILITY ECONOMIC DISPATCH

Utilities experience an hourly varying generation requirement which is brought about because of load changes and energy schedules with other companies. Generators are brought on-line to meet the utility's generation requirements. Utilities dispatch these generators within system constraints to optimize the cost of energy production. The utility's economic dispatch computer program typically takes the following inputs into consideration:

(1) Each unit's fuel use curve which relates fuel used to level of loading. T

(2) The cost of the incremental fuel being supplied to the unit.

(3) The computer calculates an equivalent set of incremental costs for every unit that is on line. Some units may be required to operate at other than optimum levels because of unit and system constraints. Theoretically, barring all constraints and taking into consideration increases or decreases in transmission system losses, all units would be operating at the same value along their incremental cost curve. T

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

IV. DEFINITION OF TERMS

Apparent Load: SWEPCO/s generation less SWEPCO's interchange. A positive interchange level indicates SWEPCO is exporting power. A negative interchange level indicates SWEPCO is importing power.

BTU's: British Thermal Units as used in this document is a messier of the heating value of fuels, e.g. natural gas, and is expressed in the Higher Heating Value (HHV). The HHV includes the heat required to vaporize the surface moisture, the water of crystallization, and that formed through the combustion of the hydrogen in the fuel which produces water vapor when the fuel is burned.

QF Block Size: SWEPCO represents all non-firm QF generated energy together. Thus all non-firm QF generated energy is considered as on block of energy.

Control Area: SWEPCO controls the power flow with other electric utility companies over the electrical boundary of its transmission network. This is accomplished by telemetering the power flow over the transmission ties with other companies and adjusting the generators output to correspond to the desired Energy Schedule (see Energy Schedule).

Economy Energy: Economy Energy is energy that SWEPCO purchases from other utilities at a lesser cost than that at which SWEPCO can generate the equivalent energy or sells to another utility at a higher cost than the cost of SWEPCO's generation. Economy Energy is not firm energy and the purchase and selling of such energy can be terminated at any time. Internal Economy Energy is Economy Energy purchased from or sold to another AEP West company. T

Energy Schedule: That energy agreed to be delivered from one control area to another and entered into the control computer's scheduling function for both the sender and receiver.

SPP: Southwest Power Pool is one of the North American Electric Reliability Council's regions. The purpose of this organization is to coordinate planning and operation among member utilities perform functions of a Regional Transmission Organization (RTO), and operating a real-time energy imbalance market. T

Generator Available Status: The state in which a unit is capable of providing service, whether or not it is actually in service, regardless of the capacity level that can be provided.

Generator Incremental Heat Rate Curve: Calculated from the generator input-output test results and reflects the change in fuel use for a small change in generation output at specific operating points.

Generator Input-Output Curve: The curve is derived from test data that is produced from operating the unit at a fixed power output and measuring the fuel used in BTU's. This curve may be represented T

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

as gross or net and is sometimes referred to as a Generator's I/O curve or fuel use curve. For purposes of computing avoided costs the net version is used. This curve is updated periodically.

Generator Gross Output: The power out of the generator disregarding the auxiliary load of the generator.

Generator Must Run Status: A generating unit which is being run independent of the economics involved. This may be necessary for reasons such as area voltage support, system security, fuel contracts, etc.

Generator Net Output: The power out of the generator after the generator auxiliary load has been subtracted.

General Priority List: A list which ranks generators based on the unit's fuel costs and operating efficiency.

Generator Start-up Costs: Initial cost of fuel required to introduce an available unit online. This is taken to be from the time the boiler burner is ignited unit the unit is able to serve load.

Generator Unavailable Status: The state in which a unit is not capable of operation because of external restrictions, testing, work being performed, or some adverse condition. The unavailable status persist until the unit is made available for operation either by being synchronized to the system or by being placed in the generator available status.

Generators Average Heat Rate Curve: This curve is calculated from fuel use test data and reflects operating the unit at a fixed power output and measuring the fuel used in BTU's/KWH. This curve may be represented as gross or net. This curve is updated periodically. T

Incremental Fuel: The fuel supply at a given power plant or generator that would be expected to change in volume of flow to the generator with a change in generator output. This is also referred to as "swing" fuel.

Load Flow Program: A computer program that utilizes a mathematical model of SWEPCO's generators and electrical transmission system. The output of this program produces a representation of the power flowing over transmission lines and the resulting transmission losses.

NERC: The North American Electric Reliability Council (NERC) directs its efforts to promoting the reliability and adequacy of bulk power supply of the electric utility systems in North America. NERC consists of nine regional councils and one affiliate whose members comprise essentially all of the electric bulk power supply systems in the United States and the seven border provinces of Canada.

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Production Requirement: The amount of generation that is required to meet the load demand plus interchange with other utilities. A positive interchange level indicates SWEPCO is exporting power. A negative interchange level indicates SWEPCO is importing power.

Operating Reserve Obligation: SWEPCO is obligated to maintain a minimum operating reserve requirement as dictated by the SPP Guideline #2.

Transmission (and Distribution) System Losses: Whenever current flows through a conductor, losses result due to the relationship: I2R=Lost electrical power, where I is current and R is resistance. Integrating this over time results in lost electrical energy. A change in generation schedules will usually result in a change in losses because of increases and decreases in current on transmission and distribution lines in the electrical system. SWEPCO uses a load flow computer program to determine the effect of system loss from variations in generation schedules due to QF generation. SWEPCO also utilizes transmission loss penalty factors in the economic dispatch algorithm to minimize production cost including the effects of Transmission Losses during the actual dispatch of the system. T

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

V. SWEPCO'S AVOIDED PRODUCTION COST CALCULATION

T

A. INTRODUCTION

SWEPCO experiences a continuously varying generation requirement which is brought about because of load variations and modifications to Energy Schedules with other affiliated and non-affiliated companies.

Basic principles and parameters used in the actual economic dispatch of the AEP West and SWEPCO systems are incorporated in the economic dispatch performed to calculate the non-firm avoided energy cost. This includes all unit and transmission constraints. These principles are summarized below: T

1. Each generating unit's incremental heat rate curve is used to establish loading or output of the unit under economic dispatch. T

2. Each generating unit's "swing" fuel cost used in the actual economic dispatch of the system is also used in the economic dispatch performed for the avoided cost calculation. T

3. Each generating unit's incremental heat rate characteristic is multiplied by its "swing" fuel cost to establish an incremental cost curve. A system is theoretically operating at an optimum economic dispatch when all of the units on the system are at the same incremental operating costs. In reality, constraints prevent all the units from being operated at the same incremental costs. T

4. The total generation production cost is determined by the sum of the products of "swing" fuel cost for each unit and the MMBTU's of fuel used to produce each generator's output. The MMBTU's used are determined from the Generator Input-Output Curve.

   T

   NOTE: MMBTU's = BTU x 10^6

B. METHODOLOGY OVERVIEW

An hourly re-dispatch of the system to simulate the average of actual conditions during the hour, including contributions from non-firm QFs, actual loads and actual off-system sales and purchases, is used as a base case for comparison purposes (New Level 5). The avoided cost for non-firm QF generated energy is determined by performing a re-dispatch with the exact conditions as the base case, except that the non-firm QF generated energy source is removed (Level 6). SWEPCO's total avoided cost is the avoided production cost for the SWEPCO unit increased generation, plus the avoided change in interchange cost (split savings basis) made available by the other AEP West Companies' changes in generation. The rate ($/MWH) for non-firm QF generated energy is

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A) T

determined by dividing SWEPCO's total avoided cost ($) by the block size (MWH of QF generated energy).

The split savings cost of interchange is determined by adding the block rate for SWEPCO's increased generation (X) to the weighted average block rate for the other AEP West companies' change in generation (A+B+C) and dividing by two (2). In the event supplemental generation capability is unavailable from any SWEPCO source (X = O) above the dispatch of actual conditions (with QF base case), the SWEPCO avoided cost will consist entirely of avoided interchange purchase (no avoided production costs) which will be priced at the incurred fuel cost of the suppliers. Likewise, when A+B+C = O, the SWEPCO avoided cost will consist entirely of the SWEPCO avoided production cost. T

If QF generated energy on the SWEPCO system causes SWEPCO operational constraints, the avoided cost calculation may have to be modified to include credits to SWEPCO or revisions to the avoided cost basis. These constraints may include but are not limited to the following:

1. The amount of QF generated energy that SWEPCO must take hinders SWEPCO's ability to purchase Economy Energy from affiliate (AEP West) or non-affiliate (non-AEP West) companies. T

2. The base case involves uneconomic SWEPCO dispatch for reasons such as transmission constraints (due to QF concentration) or lowered non-regulating economic units (due to non-regulation of QFs).

C. UNIT RECOMMITMENT LOGIC

The commitment of additional generating unit(s) for the "without QF generation" Level 6 re-dispatch shall utilize the following principles:

1. Hour-by-Hour capacity check - no look ahead.
2. Minimum up time of 30 hours since the capacity was last needed.

3. Only units in the available "AVAIL" mode (refer to generator Available Status) are available for commitment and may be added according to the priority list.

4. All units on line in the calculations for a given hour in New Level 5 will be in on line in Level 6.

5. Add unit(s) if: Capacity - (Operating Reserve Obligation + Non-Firm QF generated power + Apparent Load + Firm Transactions) is less than 25 MW>

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

The recommitment program utilizes a priority list which ranks generating units by relative cost. The relative cost for each unit is determined by the net average heat rate of the generating unit at 80% of its full load capability, multiplied by its associated fuel cost. This priority list will be updated, as necessary, to reflect current operating conditions including but not limited to the following data: unit availability, fuel prices, generator efficiency, fuel contracts, and seasonal changes in unit full load capabilities.

A functional description of recommitment logic is as follows:

Counters associated with units not in available "AVAIL" mode are set to zero.

The economic high and low limits for the units brought on-line for Level 6 are set to the dependable capability and the MW coordinate for the first Incremental Heat Rate (IHR) point of the unit respectively.

SWEPCO New Level 5 capacity is calculated as the sum of the dependable capability of all on-line units.

The initial SWEPCO Level 6 capacity for a given hour is calculated as the sum of New Level 5 capacity and the dependable capability of all units with non-zero counters.

SWEPCO capacity requirement is calculated as SWEPCO's apparent load plus firm transactions plus spinning obligation plus cogeneration MWH output minus a given minimum deadband (25 MW).

1. If the capacity requirement is less than or equal to the New Level 5 capacity, the following procedure is followed:
   All SWEPCO units with counters greater than a given maximum number (30 hours) are turned off-line.

   For the SWEPCO units with counters greater than zero and less than or equal to the maximum number (30 hours), the counters are incremented by one.

2. If the generation requirement is greater than New Level 5 capacity the following procedure is followed:

   All SWEPCO units with counters greater than the maximum number (30 hours) are turned off-line and set to the available "AVAIL" mode.

   Next, all SWEPCO units with counters greater than zero and less than or equal to the maximum number (30 hours) are considered according to the priority list. If the dependable capability of the unit is required, the respective counter is reset to one: if not, the counter is incremented by one. In either case, the unit is on-line for Level 6 dispatch.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

Next, units in the available "AVAIL" mode are turned on-line according to the priority list as needed.

D. GENERATOR START-UP COSTS

Avoided generator starts attributed to on-line QF generated energy will be determined on an hourly basis. The MMBTU associated with a generator start will be calculated for each generating unit and will remain constant during a calendar month. A unit start-up cost is calculated as the product of the MMBTU and the current fuel price ($/MMBTU). Total generator avoided start-up cost dollars will be calculated for each hour and summed on a daily and monthly basis. The monthly total for avoided generator starts will be distributed over the kilowatt-hours of QF generated energy contribution for the month.

E. DATA COLLECTION AND STORAGE

Data collection and storage of operational and accounting data for historical reporting purposes is handled on the AEPSC Energy Settlement Systems. This system is structured to contain time dependent data and the software necessary to perform the following functions: T

1. Collection of data from the generation dispatch data base.

2. Storage, editing, and management of the data.

3. Report generation.

4. Processing of data input and output requests from the SWEPCO Avoided Cost Program and other cost reconstruction programs.

F. SWEPCO AVOIDED COST PROGRAM

The SWEPCO Avoided Cost Program is executed on demand. The program reads input data and writes the results to the data base. The program can be executed using either the historical or archive data base.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

VI. METHODOLOGY TO ACCOUNT FOR THE IMPACT OF QFGENERATED ENERGY ON SWEPCO TRANSMISSION AND DISTRIBUTRION SYSTEM LOSSES

T

A. INTRODUCTION

In order to account for the QFs impact on SWEPCO transmission and distribution system losses, factors (or loss factors) are used to modify the SWEPCO system load requirement in the calculation of the QFs avoided costs. These factors are calculated annually and used for twelve months of operation. These factors vary depending upon the amount of megawatts the QFs are producing, and whether the system conditions are considered on-peak or off-peak as defined by NERC operation guidelines.* The factors are determined using load flow analyses to calculate the incremental losses in the SWEPCO system due to the presence of QF generated energy.

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*For the determination of losses, on-peak hours are from 0700 to 2200 hours (15 hours total) Monday through Saturday, all other hours are off-peak.

B. METHODOLOGY

The SPP annual load flow base cases are used as a starting point to develop load flows to calculate these factors. These load flows are developed annually by SPP and are intended to represent a summer peak, winter peak, and October off-peak load level. These load flows are defined as follows:

SUMMER PEAK: May, June, July, August, September, October

WINTER PEAK: January, February, March, April, November, December

OCTOBER OFF-PEAK: The average of that month's peak and minimum load used for all off-peak hours.

Diligent efforts are made to model the SWEPCO system which will be the most probable representation for the majority of the twelve months, unless a substantial difference in losses exists between actual system conditions and "Majority representation." For example, a unit may be down for most of the twelve months in which case the unit will not be on-line in the base case.
Treating all QFs together as a single block, the following cases will be developed annually for summer peak, winter peak and off-peak load levels.

1. A base case with no QF sales to SWEPCO.

2. A case with full output of all expected QFs on line during the season.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

3. Intermediate cases with approximately equal "steps" of QF generated energy will be run if the full output of all expected QFs is greater than 50 MW> These steps will not be greater than 50 MW. For each intermediate case, each QF will maintain the same proportional output to the total QF output as in the maximum QF case.

Should the maximum expected output of the QF block increase significantly at some point during the year, then an additional set of "cases" (1, 2, and 3) will be developed. T

C. SUMMARY

This methodology is a fair methodology both to SWEPCO customers and to the QFs since it determines full avoided cost as accurately as is possible. In the future, if large amounts of QF generated energy are added to the SWEPCO system or if locations of QF generation in the SWEPCO system vary greatly, this methodology will need to be reviewed and possibly modified.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

VII. METHOD OF CALCULATING THE PAYMENTS TO COGENERATORS AT VARIOUS OUTPUT LEVELS T

A. TABULATION OF METERING

The value of displaced system generation can vary significantly depending on the combined hourly MW input from QFs into SWEPCO's system. Since losses depend on the total amount of QF generated power, the change in system losses resulting from various levels of QF generated power is included in the calculation and loss factors are calculated in steps of 50 MW or less with peak and off-peak values.

The procedure used to calculate SWEPCO's system hourly avoided costs and prorate them among the active QFs is divided into three phases.

In the first phase, all active QFs are summed or totaled on an hourly basis to simulate a single QF or QF block size. This simulation is then used to determine the hourly QF level for establishing the appropriate avoided fuel costs and effect on system losses. For the purpose of this calculation, the totaled file is begun with the first full clock hour for which data is available from all QFs and stopped at the last full clock hour for which data is available from all QFs. Data for individual customers beyond the stop time is retained for next month's QF period.

In the event of a mechanical malfunction resulting in the loss of hourly data for a QF, the data shall be determined by hour based on the QF's own meter records or estimated from previous generation patterns.

B. INCLUSION OF LOSSES

The output from phase one is a data file containing the hourly net sales to SWEPCO by QFs identified as to whether an on-peak or off-peak hour, as defined by SPP, is used for determination of losses. The on-peak interval starts at 7:00 a.m. and ends at 10:00 p.m. Monday through Saturday. Sunday and all other hours are considered off-peak.

QUALIFIED FACILITY NON-FIRM POWER PURCHASE SCHEDULE (OPTION A)

C. INCLUSION OF O&M

Phase two merges the data file produced by phase one and a data file containing SWEPCO's avoided production cost and loss data for each incremental MW QF block by hour. Each hour of the QF period is coded for the incremental MW Block of QF generation and the calculation results in a single value in dollars per MWH for each hour including avoided production costs, variable O&M from the most recent FERC Form 1 report and an adjustment for change in system losses.

D. COMPUTE PAYMENTS

Phase three consists of pricing the MWH received from each individual QF using the hourly values produced in phase two. Also at this time, all summary reports for the QF period are printed.

SOUTHWESTERN ELECTRIC POWER COMPANY

PURCHASED POWER SERVICE (PPS)

AVAILABILITY

This rate shall apply to purchases by the Company of energy generated by qualified small power production and cogeneration facilities. Qualified Facility's (QF or Customer) electrical requirements supplied by the Company shall be separately metered and billed in accordance with the applicable rate schedule. The rules under which small power production and cogeneration facilities can obtain qualifying status are defined by Subchapter K, Part 292, Subpart B of the final rules issued by the Federal Energy Regulatory Commission to implement Section 201 and 210 of the Public Utility Regulatory Policies Act of 1978. The design capacity of the qualified facility must be 100 KW or less.

PAYMENT SCHEDULE

The payment shall be determined in accordance with (I) and (II) below.

(I) RATE

(A) QF Charge (Payable by QF)

(1) Each QF will pay any interconnection costs which are defined as the cost of connection, switching, metering, transmission, distribution, safety provisions, or any other costs directly related to the installation and maintenance of physical facilities necessary to permit interconnected operations with the QF, to the extent such costs are in excess of the corresponding costs that the electric utility would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources. Interconnection costs do not include any costs included in the calculation of avoided costs in Section (I)(B) nor will it include the additional expenses for time differentiating metering. The QF will make an initial payment to the Company for the interconnection cost for investment in facilities as determined above and in addition will pay the monthly charge for maintaining facilities currently at the filed rate of 0.57 percent of the interconnection cost for investment in facilities as determined above. The QF will prepay the estimated cost before Company construction begins.

PURCHASED POWER SERVICE (PPS)

(2) Monthly QF Charge (Payable by QF) - Each QF will pay a monthly QF Charge of $12.00. This charge is to cover such items as customer accounting expenses, administrative expenses, and general expenses incurred in servicing the QF.

(B) Monthly KWH Payment (Payment by Company)
Payment to the QF for energy delivered into Company's system with adjustment as provided in (II) will be determined as follows:

(1) Company will meter the KWHs delivered by the QF into the Company's system and will adjust the metered KWHs by the loss adjustment specified by the contract to determine the adjusted KWHs to be used for determining payments.

(2) Company will pay for the adjusted KWHs at ninety-nine percent (99%) of the estimated Weighted Average Cost of Gas (WACOG) utilized in the Company's generating plants.

(3) Company will pay the variable operating and maintenance expense of $.00026 per kilowatt-hour for the adjusted kilowatt-hours.

(C) Monthly KW Payment (Payment by Company)
If an aggregate capacity value can be reasonably estimated, a capacity payment shall be included in the standard rates provided there is an avoided capacity cost.

(II) ADJUSTMENTS

(A) A correction adjustment will be made in the current month's payment to reflect the difference between ninety-nine percent (99%) of the Company's estimated and ninety-nine percent (99%) of the actual WACOG utilized in the Company's generating plants during prior months. The actual WACOG will be determined utilizing the sum of the KWHs generated by gas and the corresponding cost of gas as reported in the Monthly Fuel Efficiency Report filed by the Company with the Public Utility Commission of Texas. The WACOG will be determined by dividing the purchase cost of gas by the total KWHs produced by such gas.

PURCHASED POWER SERVICE (PPS)

INTERCONNECTION

The qualified facilities have the following options for interconnection:

(A) parallel operation with interconnection through a single meter that measures net consumption;

(i) net consumption for a given billing period shall be billed in accordance with the standard tariff applicable to the customer class to which the user of the qualifying facility's output belongs;

(ii) net production will not be metered or purchased by the utility and therefore there will be no additional customer charge imposed on the qualifying facility;

(B) parallel operation with interconnection through two meters with one measuring net consumption and the other measuring net production;

(i) net consumption for a given billing period shall be billed in accordance with the standard tariff applicable to the customer class to which the user of the qualifying facility's output belongs;

(ii) net production for a given billing period shall be purchased at the standard rate set out in this tariff;

(C) interconnection through two meters with one measuring all consumption by the customer and the other measuring all production by the qualifying facility;

(i) all consumption by the customer for a given billing period shall be billed in accordance with the standard tariff applicable to the customer class to which the customer would belong in the absence of the qualifying facility;

(ii) all production by the qualifying facility for a given billing period shall be purchased at the standard rate set out in this tariff;

PURCHASED POWER SERVICE (PPS)

(D) qualifying facilities using renewable resources with an aggregate design capacity of 50 kilowatts or less have the option of interconnecting through a single meter that runs forward and backward;

(A) any consumption for a given billing period shall be billed in accordance with the standard tariff applicable to the customer class to which the user of the qualifying facility's output belongs;

(B) any production for a given billing period shall be purchased at the standard rate set out in this tariff.

BILLING

The Company shall send a statement to the QF on or before the 10th day after the QF's meter is read. The statement will show the kilowatt capacity, if any, and kilowatt-hours delivered to the Company during the period, QF charges payable to the Company, and total amount due. Payments for service will be rendered monthly, unless otherwise specified. The term "month" for payment purposes will mean the period between any two consecutive readings of the meters by the Company, such readings to be taken as nearly as practical every 30 days. The Company reserves the right to credit purchase of power against billings for electric service due and payable to the Company by the QF.

CONTRACT REQUIREMENTS

A Power Purchase Contract will be in effect for each service at each separate location. The Contract Period shall be negotiated between the QF and the Company. The Company's TERMS AND CONDITIONS FOR PURCHASE BY THE COMPANY OF ELECTRICITY APPLICABLE TO RATE SCHEDULE PURCHASED POWER SERVICE (PPS) are applicable to this rate schedule.

SUPPLEMENTARY POWER SERVICE

Supplementary power is electric energy or capacity used regularly by a facility in addition to that power which it ordinarily generates for its own use. QF's electrical requirements for supplementary power service will be supplied by the Company and shall be separately metered and billed in accordance with the applicable rate schedule and the Company's Standard Terms and Conditions.

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Tariff Manual - Public Utility Commission of Texas

Section Title: Rates, Charges, and Fees
Section No: IV
Applicable: All Areas
Docket No: 37364

Sheet No: IV-50
Effective Date:
Revision 1
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STANDBY SERVICE
(AVAILABLE TO PURCHASED POWER SERVICE (PPS) CUSTOMERS)

Standby Service, sometimes called backup power, is electric energy or capacity available to replace energy normally generated by a facility during an unscheduled outage of the facility's generating equipment. Standby Service differs from supplementary power service in that Standby Service is required to replace service normally supplied by generation at the facility. A qualified facility may provide for its own standby service by installing additional generating facilities or purchasing Standby Service from the Company on the Standby Service rate.

This schedule is applicable in conjunction with and modifies the Company's standard rate schedules and is available with the Company's standard contract for electric service for a period of not less than twelve consecutive months for all electric power and energy supplied by Company to Customer using Company's service as a standby, reserve, or alternate source of supply in connection with Customer's privately owned plant.

Service under this schedule is only available to Purchased Power Service (PPS) customers and is subject to all provisions of the rate schedules to which it is used in conjunction with, except those provisions specifically modified herein.

NET MONTHLY RATE

Standby Charge: The applicable rate schedule Kilowatt Charge per month per kilowatt or fraction thereof shall be the greater of,

(a) The number of kilowatts the Company is so obligated to stand ready to supply; or

(b) The number of kilowatts constituting the greatest maximum demand established by the Customer to and including the current month.

Minimum Monthly Bill: The minimum monthly bill shall be the Standby Charge.

Maximum Demand:
The maximum demand will be measured and will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the current or any preceding month. Note: The kilowatts of billing demand will be subject to the Power Factor Adjustment Clause contained in the applicable rate schedule.

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Tariff Manual - Public Utility Commission of Texas

Section Title: Rates, Charges, and Fees
Section No: IV
Territory: All Areas
Docket No: 37364

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DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

Availability

This rider is available to Customers with generating installations consisting of one or more on-site generating units operating in parallel with the Company's system (Distributed Generation). Customers operating Qualifying Facilities as defined by PURPA or Customers with demands of 100 kW or less who wish to provide electric power to the Company under the terms of Section 4.13, Page 30, Purchased Power Service (PPS), do not qualify for service under this rider. This rider is solely for the purpose of interconnection of Distributed Generation and supplying standby, maintenance and/or supplemental power to such Customers. To qualify for this rider, no more than ten (10) MW of a facility's capacity will be interconnected at any point in time at the point of common coupling with Company's distribution system. This rider is in effect until January 1, 2002. Company shall interconnect Distributed Generation as described in PUC Substantive Rules §§25.211 and 25.212, (DG Rules) pursuant to the terms of the Agreement for Interconnection and Parallel Operation of Distributed Generation, incorporated herein. A demand meter may be required under this tariff. If the Company is required to make additions or modifications to Company's facilities in addition to those normally provided under standard tariffs, including the installation of a demand meter, the Customer is responsible for reimbursing the Company for the cost of such additions or modifications. The Fixed Fuel Factors, and the Purchase Power and Conservation factors will apply to this rider. This rider is not available in conjunction with any other riders. T

Application

A person seeking interconnection and parallel operation of Distributed Generation with Company's distribution system must complete and submit the Application for Interconnection and Parallel Operation of Distributed Generation with the Utility System, which is incorporated herein. All other provisions of the Standby Service Schedule will remain in effect.

Definitions

Non-Peak Hours and Peak Hours, Off-Peak Season and On-Peak Season, and On-Peak Periods and Off-Peak Periods are all defined in the appropriate rate schedules under which the Customer is taking power.

Pricing

Pricing for standby, maintenance and supplemental power will be in accordance with the Company's Standby Service Schedule, Section 4.02, and other applicable tariffs. All customers except residential service customers must have a demand meter.

The contract capacity for residential customers will be the manufacturer's nameplate rating of the generator. All electricity used over the power provided by the generator will be considered supplemental power, and billed according to the standard rate schedule.

Terms and Conditions of Service

The terms and conditions under which interconnection of Distributed Generation is to be provided are contained in the DG Rules, which are incorporated herein by reference, and in the Agreement for Interconnection and Parallel Operation of Distributed Generation, incorporated herein. The rules are subject to change from time to time as determined by the Commission, and such changes shall be automatically applicable hereto based upon the effective date of any Commission order or rule

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION RIDER TO STANDBY SERVICE SCHEDULE

amendment. The provisions and conditions of the Company's Standard Terms and Conditions and of the Standby Service Schedule will continue to be applied, unless specifically changed per this rider. Customers requesting service under this rider must also execute a Contract for Electric Service.

Studies and Services
Pre-interconnection studies may be required and conducted by Company. Other services may be provided as requested by the Customer and provided pursuant to negotiations and agreement by the Customer and Company and may be subject to approval by the Commission.

Pre-Interconnection Study Fee Schedule

	0-10 kW	10+ to 500 kW	500+ to 2000 kW	2000+ kW
Non Exporting				
1. Pre-certified, not on network	$0	$200	$400	$600
2. Not pre-certified, not on network	$100	$300	$540	$704
3. Pre-certified, on network	$100	$400	$1,000	$2,000
4. Not pre-certified, on network	$380	$865	$1,535	$2,432
Exporting				
1. Pre-certified, not on network	$75	$300	$1,000	$2,000
2. Not pre-certified, not on network	$150	$635	$1,205	$2,182
3. Pre-certified, on network	$160	$767	$2,377	$2,878
4. Not pre-certified, on network	$495	$1,246	$2,856	$3,357

No Pre-Interconnection Study Fees will be assessed for Distributed Generation units up to 500 kW that are pre-certified as defined pursuant to the DG Rules, that export no more than 15% of the total load on a single feeder and contribute no more than 25% of the maximum potential short circuit current on a single feeder.

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

Customers seeking to interconnect Distributed Generation with the utility system will complete and file with the Company the following Application for Parallel Operation:

APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION WITH THE UTILITY SYSTEM

Return Completed Application to:

American Electric Power
Attention: Distribution Asset Management
P. O. Box 21928
Tulsa, OK 74121-1928

Customer's Name: _____

Address: _____

Contact Person: _____

Telephone Number: _____

Service Point Address: _____

Information Prepared and Submitted By: _____

(Name and Address) _____

Signature _____

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

The following information shall be supplied by the Customer or Customer's designated representative. All applicable items must be accurately completed in order that the Customer's generating facilities may be effectively evaluated by the Southwestern Electric Power Company for interconnection with the utility system.

GENERATOR

Number of Units: _____

Manufacturer: _____

Type (Synchronous, Induction, or Inverter): _____

Fuel Source Type (Solar, Natural Gas, Wind, etc.): _____
Kilowatt Rating (95 F at location): _____
Kilovolt-Ampere Rating (95 F at location): _____

Power Factor: _____

Voltage Rating: _____

Ampere Rating: _____

Number of Phases: _____

Frequency: _____

Do you plan to export power: _____Yes / _____No

If Yes, maximum amount expected: _____

Pre-Certification Label or Type Number: _____

Expected Energizing and Start-up Date: _____

Normal Operation of Interconnection: (examples: provide power to meet base load, demand management, standby, back-up, other (please describe))_____

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

One-line diagram attached: _____Yes

Has the generator Manufacturer supplied its dynamic modeling values to the Host Utility?
_____Yes

[Note: Requires a Yes for complete application. For Pre-Certified Equipment answer is Yes.]

Layout sketch showing lockable, "visible" disconnect device:
_____Yes

COMPANY:	**CUSTOMER:**
Southwestern Electric Power Company	_____
	(Customer Name)
_____	_____
(Signature)	(Signature)
_____	_____
(Printed Name)	(Printed Name)
_____	_____
(Title)	(Title)
DATE: _____, 2_____	DATE: _____, 2_____

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

This Interconnection Agreement ("Agreement") is made and entered into this ____ day of _____, 20__, by Southwestern Electric Power Company, ("Company"), and _____ ("Customer"), a _____ [specify whether corporation, and if so name state, municipal corporation, cooperative corporation, or other], each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties". In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Scope of Agreement** -- This Agreement is applicable to conditions under which the Company and the Customer agree that one or more generating facility or facilities of ten MW or less to be interconnected at 60 kV or less ("Facility or Facilities") may be interconnected to the Company's utility system, as described in Exhibit A.

2. **Establishment of Point(s) of Interconnection** -- Company and Customer agree to interconnect their Facility or Facilities at the locations specified in this Agreement, in accordance with Public Utility Commission of Texas Substantive Rules § 25.211 relating to Interconnection of Distributed Generation and § 25.212 relating to Technical Requirements for Interconnection and Parallel Operation of On-Site Distributed Generation, (16 Texas Administrative Code §25.211 and §25.212) (the "Rules") or any successor rule addressing Distributed Generation and as described in the attached Exhibit A (the "Point(s) of Interconnection").

3. **Responsibilities of Company and Customer** -- Each Party will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for, Facility or Facilities which it now or hereafter may own unless otherwise specified on Exhibit A. Customer shall conduct operations of its facility(s) in compliance with all aspects of the Rules, and Company shall conduct operations on its utility system in compliance with all aspects of the Rules, or as further described and mutually agreed to in the applicable Facility Schedule.
Maintenance of Facilities or interconnection facilities shall be performed in accordance with the

applicable manufacturer's recommended maintenance schedule. The Parties agree to cause their Facilities or systems to be constructed in accordance with specifications equal to or greater than those provided by the National Electrical Safety Code, approved by the American National Standards Institute, in effect at the time of construction.

Each Party covenants and agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of, its distribution system and related Facilities and Units so as to reasonably minimize the likelihood of a disturbance, originating in the system of one Party, affecting or impairing the system of the other Party, or other systems with which a Party is interconnected.

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

Company will notify Customer if there is evidence that the Facility operation causes disruption or deterioration of service to other Customers served from the same grid or if the Facility operation causes damage to Company's system.

Customer will notify Company of any emergency or hazardous condition or occurrence with the Customer's Unit(s) which could affect safe operation of the system.

4. Limitation of Liability and Indemnification

a. Notwithstanding any other provision in this Agreement, with respect to Company's provision of electric service to Customer, Company's liability to Customer shall be limited as set forth in Section 5.01, Sheet No. 76C, of Company's PUC-approved tariffs and terms and conditions for electric service, which is incorporated herein by reference.

b. Neither Company nor Customer shall be liable to the other for damages for any act that is beyond such party's control, including any event that is a result of an act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, a curtailment, order, or regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, or by the making of necessary repairs upon the property or equipment of either party.

c. Notwithstanding Paragraph 4.b of this Agreement, Company shall assume all liability for and shall indemnify Customer for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Company's negligence in connection with the design, construction, or operation of its facilities as described on Exhibit A; provided, however, that Company shall have no obligation to indemnify Customer for claims brought by claimants who cannot recover directly from Company. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Customer's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third person; (c)damages related to the death or injury of a third person; (d) damages to the property of Customer; (e) damages to the property of a third person; (f) damages for the disruption of the business of a third person. In no event shall Company be liable for consequential, special, incidental or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Company does not assume liability for any costs for damages arising from the disruption of the business of the Customer or for the Customer's costs and expenses of prosecuting or defending an action or claim against the Company. This paragraph does not create a liability on the part of the Company to the Customer or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

Notwithstanding Paragraph 4.b of this Agreement, Customer shall assume all liability for and shall indemnify Company for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Customer's negligence in connection with the design, construction or operation of its facilities as described on Exhibit A; provided, however, that Customer shall have no obligation to indemnify Company for claims brought by claimants who cannot recover directly from Customer. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Company's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third person; (c) damages related to the death or injury of a third person; (d) damages to the property of Company; (e) damages to the property of a third person; (f) damages for the disruption of the business of a third person. In no event shall Customer be liable for consequential, special, incidental or punitive damages, including, without

d. limitation, loss of profits, loss of revenue, or loss of production. The Customer does not assume liability for any costs for damages arising from the disruption of the business of the Company or for the Company's costs and expenses of prosecuting or defending an action or claim against the Customer. This paragraph does not create a liability on the part of the Customer to the Company or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.

f. Company and Customer shall each be responsible for the safe installation, maintenance, repair and condition of their respective lines and appurtenances on their respective sides of the point of delivery. The Company does not assume any duty of inspecting the Customer's lines, wires, switches, or other equipment and will not be responsible therefor. Customer assumes all responsibility for the electric service supplied hereunder and the facilities used in connection therewith at or beyond the point of delivery, the point of delivery being the point where the electric energy first leaves the wire or facilities provided and owned by Company and enters the wire or facilities provided by Customer.

g. For the mutual protection of the Customer and the Company, only with Company prior authorization are the connections between the Company's service wires and the Customer's service entrance conductors to be energized.

5. **Right of Access, Equipment Installation, Removal & Inspection --** Upon reasonable notice, the Company may send a qualified person to the premises of the Customer at or immediately before the time the Facility first produces energy to inspect the interconnection, and observe the Facility's commissioning (including any testing), startup, and operation for a period of up to no more than three days after initial startup of the unit.

Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Company shall have access to Customer's premises for any reasonable purpose in connection with the performance of the

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its Customers.

6. **Disconnection of Unit --** Customer retains the option to disconnect from Company's utility system. Customer will notify the Company of its intent to disconnect by giving the Company at least thirty days' prior written notice. Such disconnection shall not be a termination of the agreement unless Customer exercises rights under Section 7.

Customer shall disconnect Facility from Company's system upon the effective date of any termination under Section 7.

Subject to Commission Rule, for routine maintenance and repairs on Company's utility system, Company shall provide Customer with seven business days' notice of service interruption.

Company shall have the right to suspend service in cases where continuance of service to Customer will endanger persons or property. During the forced outage of the Company's utility system serving Customer, Company shall have the right to suspend service to effect immediate repairs on Company's utility system, but the Company shall use its best efforts to provide the Customer with reasonable prior notice.

7. **Effective Term and Termination Rights** -- This Agreement becomes effective when executed by both parties and shall continue in effect until terminated. The agreement may be terminated for the following reasons: (a) Customer may terminate this Agreement at any time, by giving the Company sixty days' written notice; (b) Company may terminate upon failure by the Customer to generate energy from the Facility in parallel with the Company's system within twelve months after completion of the interconnection; (c) either party may terminate by giving the other party at least sixty days prior written notice that the other Party is in default of any of the material terms and conditions of the Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity to cure the default; or (d) Company may terminate by giving Customer at least sixty days notice in the event that there is a material change in an applicable rule or statute.

8. **Governing Law and Regulatory Authority** -- This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the parties' obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.

9. **Amendment** -- This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

10. **Entirety of Agreement and Prior Agreements Superseded** -- This Agreement, including all attached Exhibits and Facility Schedules, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces all prior agreements and undertakings, oral or written, between the Parties with regard to the subject matter hereof, including without limitation _____ [specify any prior agreements being superseded], and all such agreements and undertakings are agreed by the Parties to no longer be of any force or effect. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement.

11. **Notices** -- Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

(a) If to Company:
_____
_____
_____
_____

(b) If to Customer:
_____
_____
_____
_____

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other, notwithstanding Section 10.

12. **Invoicing and Payment** -- Invoicing and payment terms for services associated with this agreement shall be consistent with applicable Substantive Rules of the PUCT.

13. **No Third-Party Beneficiaries** -- This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

14. **No Waiver** -- The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.

15. **Headings** -- The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.

16. **Multiple Counterparts** -- This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

COMPANY:	**CUSTOMER:**
Southwestern Electric Power Company	_____
	(Customer Name)
_____	_____
(Signature)	(Signature)
_____	_____
(Printed Name)	(Printed Name)
_____	_____
(Title)	(Title)
DATE: _____, 2_____	DATE: _____, 2_____

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

EXHIBIT A

LIST OF FACILITY SCHEDULES AND POINTS OF INTERCONNECTION

Facility Schedule No.	Name of Point of Interconnection

[Insert Facility Schedule number and name for each Point of Interconnection]

SOUTHWESTERN ELECTRIC POWER COMPANY

DISTRIBUTED GENERATION INTERCONNECTION
RIDER TO STANDBY SERVICE SCHEDULE

FACILITY SCHEDULE NO. _____

[The following information is to be specified for each Point of Interconnection, if applicable.]

1. Name:
2. Facility location:
3. Delivery voltage:
4. Metering (voltage, location, losses adjustment due to metering location, and other):
5. Normal Operation of Interconnection:
6. One line diagram attached (check one): _____ Yes /_____ No
7. Facilities to be furnished by Company:
8. Facilities to be furnished by Customer:
9. Cost Responsibility:
10. Control area interchange point (check one): _____ Yes /_____ No
11. Supplemental terms and conditions attached (check one): _____ Yes / _____ No

COMPANY:	**CUSTOMER:**
Southwestern Electric Power Company	_____ (Customer Name)
_____ (Signature)	_____ (Signature)
_____ (Printed Name)	_____ (Printed Name)
_____ (Title)	_____ (Title)
DATE: _____, 2_____	DATE: _____, 2_____

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Section Title: Rates, Charges, and Fees
Section No: IV
Applicable: North Texas Service Territory
Docket No: 32579

Sheet No: IV-52
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FUEL SURCHARGE

Deleted from tariff book

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Tariff Manual - Public Utility Commission of Texas

Section Title: Rates, Charges, and Fees
Section No: IV
Applicable: East Texas Service Area
Docket No: 37364

Sheet No: IV-53
Effective Date: Cycle 01, October 2009
Revision 10
Page 1 of 2

TRUE UP FOR HOUSE BILL 11 TAX

The following factors will be applied to the energy usage of retail, non-transmission customers or to the base revenue of retail, transmission customers for one complete billing cycle during the month of October 2009.

These factors implement the final true-up of the difference between the additional tax paid by SWEPCO due to House Bill 11 and the amount collected from retail customers during the period of January 2006 through December 2007.

The calculated factors include interest from the month collected through September 2009.

		House Bill 11 Tax Adjustment Factors	
RATE SCHEDULE	RATE CODE	$ per kWh (1)	% x Base Revenue (2)
Residential Service (RS)	015, 019, 037, 038	0.004478	
Rider to Residential Service for Controlled Service to Water Heater (RWH)	011	0.004478	
General Service (GS)	205, 206, 207, 208, 209, 210, 211, 212, 218, 219	0.006851	
Lighting and Power Service (LP) - Secondary	060, 063, 240, 241, 243, 324	0.001891	
Lighting and Power Service (LP) - Primary	066, 246, 247 249, 276, 323	0.001741	
Lighting and Power Service (LP) - Transmission Level Voltage	252, 254		(9.4475%)
Large Lighting and Power Service (LLP)	346, 351	(0.003895)	
Large Lighting and Power Service (LLP) - Transmission Level Voltage	342, 344		32.5298%

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TRUE UP FOR HOUSE BILL 11 TAX

RATE SCHEDULE	RATE CODE	House Bill 11 Tax Adjustment Factors % per kWh (1)	% x Base Revenue (2)
Metal Melting Service - Distribution Voltage (MMS)	325	0.005027	
Metal Melting Service - 69 kV or Higher (MMS-69kV) - Transmission Level Voltage	321		(2.0637%)
Contract with Lone Star Steel Company (LSS) - Transmission Level Voltage	328		16.4309%
Oil Field Large Industrial Power Schedule (OLI)	329	0.044163	
Municipal Pumping Service (MPS)	540, 550	0.007999	
Municipal Service Schedule (MS)	544, 545, 548	0.003149	
Municipal Lighting Service	522, 528, 529, 534, 535, 538, 539	0.003980	
Private & Area Lighting Service (PL & AL)	090, 094, 096, 098, 104, 108, 112, 115, 132, 135, 137, 138, 140, 141, 142, 143	0.003656	
As - Available Standby Power Service - Secondary	240	0.001891	
As - Available Standby Power Service – Primary	246, 276	0.001741	

(1) To be applied to metered or unmetered kilowatt-hours

(2) Base Revenues excluding any fuel or add-on revenue taxes

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Sheet No: IV-54
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MONTHLY CHARGES FOR SPECIAL OR ADDITIONAL FACILITIES

This tariff is available for discretionary services up to, but not including, customer premises transformers. Discretionary services include facilities such as dual-feed, switch gear for the dual-feed, and specialized protective equipment to automatically separate the customer from the Company's system in the event of a customer problem. Discretionary services are available to new and existing customers for facilities that are on the utility's side of customer premises transformation and are in excess of standard service facilities. D

In the event facilities in excess of normal installation are requested by the Customer or are found to be required to serve the Customer's load the Company shall furnish, install and maintain such facilities with monthly charges to the Customer according to the following schedule:

1. A monthly rate of 1.76% will be applied to the total investment in facilities that are installed, owned, operated and maintained by the Company. I

2. The monthly rate for maintaining facilities installed and owned by the Company but for which Customer has paid the full amount to Company will be 0.69% of the total cost of the facilities.

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MONTHLY CHARGES FOR RENTAL OF SPECIAL OR ADDITIONAL DISTRIBUTION VOLTAGE FACILITIES

AVAILABILITY

This service (Distribution Voltage Facilities Rental Service) is available only to Customers taking distribution voltage service at Points of Delivery where distribution voltage facilities were being leased from the Company on August 31, 2000. Customers qualifying for service under this schedule shall be provided rental service in accordance with the following requirements in accordance with Commission Subst. R. 25.343(f)(4):

1. Customer will retain the options of purchasing the rented facilities, renting additional facilities at that same Point of Delivery, or terminating the facilities rental arrangement.
2. Once all of the facilities formerly leased by Company to Customer have been removed from Customer's side of the Point of Delivery or have been acquired by Customer, the Company may no longer offer facilities rental service at that Point of Delivery.

APPLICABILITY

Distribution Voltage Facilities Rental Service is applicable to Company owned distribution voltage facilities located on the Customer's side of the Point of Delivery. This service applies to Company owned facilities that are in excess of the Standard Facilities and Services that the Company would normally provide under the applicable tariff schedule(s). The facilities rented pursuant to this tariff schedule are facilities that should be provided for by the Customer, and the Customer has elected to provide for these facilities through a rental arrangement with the Company.

D

RENTAL CHARGES

The monthly rental charge for distribution voltage facilities installed, owned, operated and maintained by the Company, will be derived by the total calculated installed cost of the facilities to be rented multiplied by 1.76%. The monthly charge for distribution voltage facilities I
installed, owned, operated and maintained by the Company but for which the Customer has paid the full amount to the Company will be derived by the total calculated installed cost of the facilities to be rented multiplied by 0.69%. I

TERMS OF PAYMENT

Customers shall pay Distribution Voltage Facilities Rental Service fees on a monthly basis, and the monthly rental charge will be due and payable with the Customer's monthly bill for Electric Service.

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MONTHLY CHARGES FOR RENTAL OF SPECIAL OR ADDITIONAL DISTRIBUTION VOLTAGE FACILITIES

TERMS AND CONDITIONS

Should the Customer request that any of the rented facilities installed, owned, maintained or operated by the Company be removed, or upon termination of service at a location without a new Customer willing to continue a contract to rent the distribution voltage facilities, the Company will remove such facilities within a reasonable amount of time at the Customer's expense.

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RELIABILITY SURCHARGE

AVAILABILITY

This Surcharge is in effect for a period of one year after implementation in Public Utility Commission of Texas (PUCT) Docket No. 37364.

This Surcharge is applicable to and becomes part of each SWEPCO Texas jurisdictional rate schedule. This Surcharge is applicable to energy consumption of retail customers served at secondary and primary service levels and to facilities, premises and loads of such retail customers.

For service billed under applicable rate schedules for which there is not metering, the monthly kilowatt-hour (kWh) usage shall be estimated by the Company and the Reliability Surcharge Factor shall be applied to the estimated kWh usage.

The Reliability Surcharge billing shall be determined by multiplying the total billing kWh for each applicable customer by the Reliability Surcharge Factor for that customer's class for the current month.

RELIABILITY SURCHARGE FACTORS

Major Rate Class	Factors
Residential - Secondary	$0.002213 per kWh
Commercial/Small Industrial – Secondary *	$0.001416 per kWh
Commercial/Small Industrial - Primary	$0.000733 per kWh
Municipal – Secondary **	$0.002961 per kWh
Industrial/Large Light & Power – Primary	$0.000881 per kWh
Industrial/Large Light & Power – Transmission	$0.000000 per kWh

* Private Outdoor and Customer-Owned Lighting is included in the Commercial/Small Industry - Secondary Rate Class.
** Municipal and Public Street and Highway Lighting is included in the Municipal – Secondary Rate Class.

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COTTON GIN OFF PEAK LIGHTING AND POWER SERVICE (CG LP) N

AVAILABILITY

This rate schedule is available only for cotton gins having a load of not less than 65 horsepower served at secondary voltage. Service will be supplied at one point of delivery through one meter.

MONTHLY RATE

Secondary Service

Kilowatt Charge:

$5.83 for each Kilowatt of Billing Demand in the month, but not less than $58.30

Kilowatt-hour (kWh) Charge:

1.020¢ per kWh

Minimum Monthly Bill: The minimum monthly bill will be applicable only in the ginning season as defined below. The Minimum Monthly Bill for the ginning season will be the Kilowatt Charge, but not less than the charge for the maximum Kilowatts of Billing Demand established during the 11 preceding months.

Ginning Season:

The ginning season, for purposes of this rate, is defined as the billing months of October through March, inclusive. The non-ginning season is defined as the billing months of April through September, inclusive.

Fuel Cost Component of Monthly Rates: In addition to all other charges, the amount of the bill will be increased by an amount per kWh as provided in the Fixed Fuel Factor schedule, Sheet IV-34.

Additional Components of Monthly Rates: This rate schedule is subject to other applicable rate adjustments in effect from time to time in this tariff.

Determination of Kilowatts of Billing Demand: The Kilowatts of Billing Demand for each month will be the average kilowatt load used by the Customer during the 15-minute period of maximum use during the month. The Kilowatts of Billing Demand will be subject to the Power Factor Adjustment Clause.

Capacity Charge for Highly Fluctuating Loads: Should the Customer operate equipment with highly fluctuating, intermittent, or abnormal characteristics that make it necessary for the Company to install special facilities to serve the Customer or to prevent disturbances to the service to other Customers, an additional charge of $1.00 per month per kilovolt-ampere (KVA) or fraction thereof of transformer capacity installed by the Company to serve the Customer will be added to the Customer's bill. N

Power Factor Adjustment: The Company reserves the right to determine the power factor of the Customer's installation served hereunder. Should the average lagging power factor during the month

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COTTON GIN OFF PEAK LIGHTING AND POWER SERVICE (CG LP)

be determined to be below 90%, the Customer's Kilowatts of Billing Demand will be adjusted by multiplying the Kilowatts of Billing Demand by 90% and dividing by the average lagging power factor.

PAYMENT FOR SERVICE

Bills for electric service are due 16 days after the date of issuance and become delinquent if not paid by the due date. Bills paid after the due date will be assessed a penalty of 2% of the total monthly bill. If the bill is unpaid after the due date, service is subject to being disconnected in accordance with the rules of the Public Utility Commission of Texas.

TERMS AND CONDITIONS

Service will be furnished under the Company's Standard Terms and Conditions.

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Section No: 4.11
Applicable: Texas
Docket No:

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T

FIXED FUEL FACTOR

Electric service billed under applicable rate tariffs shall be subject to this Fixed Fuel Factor in accordance with the Substantive Rules of the Public Utility Commission of Texas Section 25.237.

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The Fixed Fuel Factor is multiplied by the kWh sales read, estimated or determined under a metering voltage provision of an applicable rate schedule during the billing month.

The Fixed Fuel Factors are:

Service Voltage	February – July	Aug – January
Transmission – 138 kV	$.034499	$.023743
Transmission – 69 kV	$.034835	$.023975
Primary Substation *	$.035007	$.024093
Primary	$.035308	$.024300
Secondary	$.036301	$.024983

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*Applicable to Primary Service supplied from the Substation bus.

SOUTHWESTERN ELECTRIC POWER COMPANY

Tariff Manual - Public Utility Commission of Texas

Section Title: Rates, Charges, and Fees
Section No: 4.11
Applicable: Texas
Docket No:

Sheet No: 37
Effective Date: Cycle 01 February 2005
Revision No. 8
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FIXED FUEL FACTOR

Electric service billed under applicable rate tariffs shall be subject to this Fixed Fuel Factor in accordance with the Substantive Rules of the Public Utility Commission of Texas Section 25.237.

The Fixed Fuel Factor is multiplied by the kWh sales read, estimated or determined under a metering voltage provision of an applicable rate schedule during the billing month.

The Fixed Fuel Factors are:

Service Voltage	January - December
Transmission – 138 kV	$.022796
Transmission – 69 kV	$.023018
Primary Substation	$.023132
Primary	$.023331
Secondary	$.023986

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SOUTHWESTERN ELECTRIC POWER COMPANY

Tariff Manual - Public Utility Commission of Texas

Section Title: Rates, Charges, and Fees
Section No: 4.11
Applicable: Texas
Docket No: 23230

Sheet No: 37
Effective Date: Cycle 01 January 2001
Revision No. 7
Page 1 **of** 1

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FIXED FUEL FACTOR

Electric service billed under applicable rate tariffs shall be subject to this Fixed Fuel Factor in accordance with the Substantive Rules of the Public Utility Commission of Texas Section 25.237.

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The Fixed Fuel Factor is multiplied by the kWh sales read, estimated or determined under a metering voltage provision of an applicable rate schedule during the billing month.

The Fixed Fuel Factors are:

Service Voltage	December - February	March - May	June - August	September - November
Transmission – 138 kV	$.016919	$.019057	$.019801	$.020701
Transmission – 69 kV	$.017115	$.019278	$.020030	$.020941
Primary Substation	$.017221	$.019398	$.020154	$.021071
Primary	$.017405	$.019604	$.020369	$.021295
Secondary	$.017986	$.020259	$.021049	$.022006

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The Fixed Fuel Factors will not be applied to kWh sales of customers associated with incremental usage (i.e., above or below) the CBL for MarketChoice Pilot Program.

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2010 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.024469	$0.024790	$0.024772	$0.025111	$0.025929
February	$0.024469	$0.024790	$0.024772	$0.025111	$0.025929
March	$0.024469	$0.024790	$0.024772	$0.025111	$0.025929
April	$0.027672	$0.028036	$0.028015	$0.028398	$0.029323
May	$0.027672	$0.028036	$0.028015	$0.028398	$0.029323
June	$0.027672	$0.028036	$0.028015	$0.028398	$0.029323
July	$0.031267	$0.031678	$0.031655	$0.032088	$0.033133
August	$0.031267	$0.031678	$0.031655	$0.032088	$0.033133
September	$0.031267	$0.031678	$0.031655	$0.032088	$0.033133
October	$0.027968	$0.028336	$0.028315	$0.028702	$0.029637
November	$0.027968	$0.028336	$0.028315	$0.028702	$0.029637
December	$0.027968	$0.028336	$0.028315	$0.028702	$0.029637

2009 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
February	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
March	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
April	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
May	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
June	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
July	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
August	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
September	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
October	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
November	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
December	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983

2008 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
February	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
March	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
April	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
May	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
June	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
July	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
August	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
September	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
October	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
November	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
December	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983

2007 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
February	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
March	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
April	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
May	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
June	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
July	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
August	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
September	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
October	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
November	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
December	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983

Year To Date 2006 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
February	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
March	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
April	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
May	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
June	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
July	$0.034499	$0.034835	$0.035007	$0.035308	$0.036301
August	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
September	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
October	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
November	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983
December	$0.023743	$0.023975	$0.024093	$0.024300	$0.024983

Year To Date 2005 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
March	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
April	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
May	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
June	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
July	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
August	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
September	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
October	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
November	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986
December	$0.022796	$0.023018	$0.023132	$0.023331	$0.023986

Year To Date 2004 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
March	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
April	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
May	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
June	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
July	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
August	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
September	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
October	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
November	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
December	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986

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Year To Date 2003 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
March	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
April	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
May	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
June	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
July	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
August	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
September	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
October	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
November	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
December	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986

Tariffs

AEP SOUTHWESTERN ELECTRIC POWER

Year To Date 2002 Fuel Adjustment Factors - Texas

Billing Month	Transmission - 138 kV	Transmission - 69 kV	Primary Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
March	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
April	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
May	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
June	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
July	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
August	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
September	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
October	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
November	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
December	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986

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2001 Fixed Fuel Factors

Billing Month	Trans. 138 KV	Trans. 69 KV	Substation	Primary	Secondary
January	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
February	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986
March	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
April	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
May	$0.019057	$0.019278	$0.019398	$0.019604	$0.020259
June	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
July	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
August	$0.019801	$0.020030	$0.020154	$0.020369	$0.021049
September	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
October	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
November	$0.020701	$0.020941	$0.021071	$0.021295	$0.022006
December	$0.016919	$0.017115	$0.017221	$0.017405	$0.017986

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2000 Fixed Fuel Factors

Billing Month	Trans. 138 KV	Trans. 69 KV	Substation	Primary	Secondary
January	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
February	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
March	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
April	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
May	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
June	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
July	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
August	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
September	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
October	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
November	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
December	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290

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1999 Fixed Fuel Factors

Billing Month	Trans. 138 KV	Trans. 69 KV	Substation	Primary	Secondary
January	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
February	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
March	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
April	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
May	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
June	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
July	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
August	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
September	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
October	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
November	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
December	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290

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1998 Fixed Fuel Factors

Billing Month	Trans. 138 KV	Trans. 69 KV	Substation	Primary	Secondary
January	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
February	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290
March	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
April	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
May	$0.018060	$0.018250	$0.018380	$0.018580	$0.019240
June	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
July	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
August	$0.018190	$0.018390	$0.018510	$0.018720	$0.019380
September	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
October	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
November	$0.016640	$0.016820	$0.016930	$0.017120	$0.017730
December	$0.017170	$0.017360	$0.017470	$0.017670	$0.018290

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SOUTHWESTERN ELECTRIC POWER COMPANY

SECTION TITLE FUEL AND TAX ADJUSTMENT SHEET NUMBER 37.36

SECTION NUMBER 4.11 EFFECTIVE DATE Cycle 01 February 2006 N

APPLICABLE TEXAS REVISION NUMBER Original

FUEL RECOVERY SURCHARGE FACTORS
(DOCKET NO. 32006)

The Fuel Surcharge Factors shall be effective with the first billing cycle of February 2006 and will remain in effect through the January 2007 billing cycle. The surcharge will be identified on bills as "Fuel Recovery Surcharge." T

Electric service supplied under the following rate schedules shall be subject to the applicable fuel surcharge factors which apply to kilowatt-hours billed beginning with the February 2006 billing cycle. T

PUCT SHEET NUMBER	RATE SCHEDULE	RATE CODE	FUEL RATE	FUEL SURCHARGE FACTOR $ per kWh	INTEREST FACTOR $ per kWh	TOTAL SURCHARGE FACTOR $ per kWh
1	Residential Service (RS)	015,019 037,038	S	0.006551	0.000187	0.006738
2	Rider to Residential Service for Controlled Service to Water Heater (RWH)	011	S	0.006551	0.000187	0.006738
4	General Service (GS)	205,206,208 209,210,211 218,219	S	0.007000	0.000243	0.007243
	General Service w/C2 Rider(GS)	207,212	S	0.005672	0.000219	0.005891
5	Lighting and Power Service (LP)	060,240,241	S	0.006061	0.000172	0.006233
	Lighting and Power Service w/C2 Rider (LP)	063,243	S	0.005792	(0.000198)	0.005594
	Lighting and Power Service (LP) - Interruptible	324	S	0.004963	0.000121	0.005084
	Lighting and Power Service (LP)	066,246 247,276	P	0.005270	0.000528	0.005798
	Lighting and Power Service (LP)w/C2	249	P	0.005749	0.000252	0.006001
	Lighting and Power Service (LP)	254	T-138kV(A)	$16,889	($6,280)	$10,609
	Lighting and Power Service (LP)	252	T-69kV(A)	$204	$176	$380
6	Large Lighting and Power Service (LLP)	351	SUB(A)	$150,135	$4,964	$155,099
	Large Lighting and Power Service (LLP)	342	T-69kV(A)	$51,036	($7,915)	$43,121
	Large Lighting and Power Service (LLP)	344	T-138kV(A)	$135,751	$26,946	$162,697
7	Metal Melting Service - Distribution Voltage (MMS)	325	P	0.005359	(0.002171)	0.003188
9	Metal Melting Service - 69 kV or Higher (MMS-69kV)	321	T-69kV(A)	$17,713	($7)	$17,706

EXHIBIT LBM-14
PAGE 2 OF 2

SOUTHWESTERN ELECTRIC POWER COMPANY

SECTION TITLE FUEL AND TAX ADJUSTMENT

SHEET NUMBER 37.37

SECTION NUMBER 4.11

EFFECTIVE DATE Cycle 1 February 2006 N

APPLICABLE TEXAS

REVISION NUMBER Original

FUEL RECOVERY SURCHARGE FACTORS
(DOCKET NO. 32006)

PUCT SHEET NUMBER	RATE SCHEDULE	RATE CODE	FUEL RATE	FUEL SURCHARGE FACTOR $ per kWh	INTEREST FACTOR $ per kWh	TOTAL SURCHARGE FACTOR $ per kWh
13	Contract with Lone Star Steel Company (LSS)	328	T-138kV[(A)]	$298,350	($8,444)	$289,906
15	Oil Field Large Industrial Power Schedule (OLI)	329	P	0.004938	(0.002556)	0.002382
17	Municipal Pumping Service (MPS)	540,550	S	0.005810	(0.000022)	0.005788
18	Municipal Service Schedule (MS)	544,545	S	0.006420	0.000211	0.006631
	Municipal Service Schedule w/C2 Rider (MS)	548	S	0.004960	(0.000164)	0.004796
20,22,23, 25,27	Municipal Lighting Service	528,529	S	0.005041	0.000174	0.005215
26	Public Highway Lighting Service-Energy Only (PHL-E)	534,535 538,539	S	0.005187	0.000250	0.005437
28	Private Lighting Service (PL)	090,141 142,143	S	0.004958	0.000287	0.005245
29,30	Area Lighting – Outdoor	094,096,098 104,108,112 115,132,135 137,138,140	S	0.005050	0.000182	0.005232
45	As - Available Standby Power Service	276	P[(A)]	$8,018	$6	$8,024
11	C-1 Rider	206,209,211 219,241,247 545	S[(B)]	(0.006081)	0.001562	(0.004519)

(A) The fuel surcharge amounts attributable to transmission voltage, Large Lighting and Power substation voltage, and As-Available Standby Power Service customers have been calculated on a monthly basis based upon their individual and actual billing during the period of January 2003 through September 2005.

(B) Applicable to billing month February 2006.

SOUTHWESTERN ELECTRIC POWER COMPANY

SECTION TITLE FUEL AND TAX ADJUSTMENT SHEET NUMBER 37.38 N

SECTION NUMBER 4.11 EFFECTIVE DATE Cycle 01 March 2009

APPLICABLE TEXAS REVISION NUMBER ORIGINAL

INTERIM FUEL FACTORS
(DOCKET NO. 36324)

The Fuel Surcharge Factors shall be effective with the first billing cycle of March 2009 and will remain in effect through the July 2009 billing cycle. The surcharge will be identified on bills as "Fuel Refund/Surcharge."

Electric service supplied under the following rate schedules shall be subject to the applicable fuel surcharge factors which apply to kilowatt-hours billed beginning with the March 2009 billing cycle.

PUCT SHEET NUMBER	RATE SCHEDULE	RATE CODE	FUEL RATE	FUEL FACTOR $ per kWh	INTEREST FACTOR $ per kWh	TOTAL FACTOR $ per kWh
1	Residential Service (RS)	015,019,037,038	S	0.005438	0.000232	0.005670
2	Rider to Residential Service for Controlled Service to Water Heater (RWH)	011	S	0.005716	0.000238	0.005954
4	General Service (GS)	205,206,208,209 210,211,218,219	S	0.005257	0.000226	0.005483
	General Service w/C2 Rider(GS)	207,212	S	0.005223	0.000215	0.005438
5	Lighting and Power Service (LP)	060,240,241	S	0.004840	0.000209	0.005049
	Lighting and Power Service w/C2 Rider (LP)	063,243	S	0.004865	0.000209	0.005074
	Lighting and Power Service (LP) - Interruptible	324	S	0.004445	0.000283	0.004728
	Lighting and Power Service (LP)	066,246 247,276	P	0.004699	0.000200	0.004899
	Lighting and Power Service w/C2 Rider (LP)	249	P	0.004436	0.000194	0.004630
	Lighting and Power Service (LP)	252	T-69kV(A)	$2,205	$96	$2,301
6	Large Lighting and Power Service (LLP)	346	P	0.004557	0.000196	0.004753
	Large Lighting and Power Service (LLP)	351	Sub	$117,740	$5,132	$122,872
	Large Lighting and Power Service (LLP)	342	T-69kV(A)	$46,839	$3,438	$48,873
	Large Lighting and Power Service (LLP)	344	T-138kV(A)	$102,625	$4,364	$106,989
	Large Lighting and Power Service-Interruptible (LLP)	320	T-138kV(A)	$27,861	$1,155	$29,016

SOUTHWESTERN ELECTRIC POWER COMPANY

SECTION TITLE FUEL AND TAX ADJUSTMENT

SHEET NUMBER 37.37

N

SECTION NUMBER 4.11

EFFECTIVE DATE Cycle 1 March 2009

APPLICABLE TEXAS

REVISION NUMBER ORIGINAL

INTERIM FUEL FACTORS
(DOCKET NO. 36324)

PUCT SHEET NUMBER	RATE SCHEDULE	RATE CODE	FUEL RATE	FUEL FACTOR $ per kWh	INTEREST FACTOR $ per kWh	TOTAL FACTOR $ per kWh
7	Metal Melting Service – Distribution Voltage (MMS)	325	P	0.004110	0.000182	0.004292
9	Metal Melting Service - 69 kV or Higher (MMS-69kV)	321	T-69kV(A)	$25,451	$1,093	$26,544
13	Contract with Lone Star Steel Company (LSS)	328	T-138kV(A)	$160,744	$6,741	$167,485
15	Oil Field Large Industrial Power Schedule (OLI)	329	P	0.004707	0.000191	0.004898
17	Municipal Pumping Service (MPS)	540,550	S	0.004832	0.000210	0.005042
18	Municipal Service Schedule (MS)	544,545	S	0.004974	0.000217	0.005191
	Municipal Service Schedule w/C2 Rider (MS)	548	S	0.005108	0.000209	0.005317
20,22,23, 25,26,27	Municipal/Public Lighting Service	522,528,529,534 535,538,539,739	S	0.004481	0.000193	0.004674
28	Private Lighting Service (PL)	090,141 142,143	S	0.004526	0.000195	0.004721
29,30	Area Lighting – Outdoor	094,096,098,104 108,112,115,132 135,137,138,140	S	0.004095	0.000176	0.004271
45	As – Available Standby Power	240,246,276	P(A)	$924	$45	$969
11	C-1 Rider	206,209,211,219 241,247,545	S(B)	0.000636	(0.000017)	0.000619

(A) The fuel under-recovery amounts attributable to transmission voltage, Large Lighting and Power substation voltage, and As-Available Standby Power Service customers have been calculated on a monthly basis based upon their individual and actual billing during the period of November 2007 through September 2008.

(B) C-1 Rider fuel surcharge amounts will only be applicable during the months of March and April 2009.