



Control Number: 35077



Item Number: 190

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PUBLIC UTILITY COMMISSION OF TEXAS
Substantive Rule 25.195(e)

Project No. 35077

INTERCONNECTION AGREEMENT

DATED AS OF MAY 21, 2010

BETWEEN

AEP TEXAS CENTRAL COMPANY

AND

CITY OF BROWNSVILLE, TEXAS

May 21, 2010

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American Electric Power
P.O. Box 201
Tulsa, OK 74102-0201
www.aep.com



May 21, 2010

Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Dear Secretary Bose:

Pursuant to Section 35.13 of the Commission's regulations, 18 CFR § 35.13, American Electric Power Service Corporation ("AEPSC") submits for filing as the agent for AEP Texas Central Company ("AEPTCC"), who was formerly known as Central Power and Light Company ("CPL"), amendments to the transmission interconnection agreement (the "IA") between AEPTCC and the City of Brownsville, Texas ("Brownsville") whose is acting by and through the Public Utilities Board of the City of Brownsville. Because there are limited changes being made to the IA, only the revised and additional pages of the IA affected by these changes are being filed herewith.

Unrelated to the IA, AEPSC also submits for filing, as agent for AEP Texas North Company (AEPTNC), who was formerly known as West Texas Utilities Company ("WTU"), notices of cancellation for four (4) generation interconnection agreements between WTU and Upton Wind, LP.

Backgrounds and Purposes for the Filing

Prior to the Commission's Order No. 614, the IA, designated then as CPL Rate Schedule No. 107, became effective on April 4, 2001. On March 17, 2003 the IA was amended and, in accordance with Order No. 614, it was re-filed at the Commission in its entirety and designated as Service Agreement No. 531 under the Open Access Transmission Service Tariff of the American Electric Power System ("the AEP Tariff"). Since 2003 Brownsville has made modifications to its 138 kV transmission system that affect the transmission facilities installed in AEP's Military Highway Substation and Brownsville's Laredo Road Substation. As a result of these modifications, the 69 kV transmission facilities within the Military Highway Substation have been removed and the 69 kV transmission line from Military Highway to the Laredo Road Substation has been taken out of service. These modifications to the transmission facilities of the parties have necessitated the need to amend the IA.

Kimberly D. Bose
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In November, 2000 WTU entered into interconnection agreements with four Upton Wind, LP wind farms named King Mountain Wind Ranch NW, King Mountain Wind Ranch NE, King Mountain Wind Ranch SW and King Mountain Wind Ranch SE which were filed and accepted by the Commission as Service Agreement No. 303, Service Agreement No. 304, Service Agreement No. 305 and Service Agreement No. 306 respectively under the AEP Tariff. Since then the transmission lines that provide for the interconnection of these wind farms have been rebuilt and are now owned by LCRA Transmission Services Corporation ("LCRA"). LCRA has entered into its own interconnection agreements with FPL Energy Upton Wind II, LP, the successor to Upton Wind, LP, for these wind farms and therefore the interconnection agreements between WTU and Upton Wind, LP have been terminated.

One purpose of this filing is to revise and add the appropriate sheets to Facility Schedule No. 1 and Facility Schedule No. 3 of the IA (Service Agreement No. 532) to reflect the removal of the 69 kV transmission line between the Military Highway and Laredo Road substations. The other purpose of this filing is to revise the appropriate sheets of Service Agreement No. 303, Service Agreement No. 304, Service Agreement No. 305 and Service Agreement No. 306 to effectively cancel these service agreements.

Requested Effective Date

AEPSC requests an effective date of May 21, 2010 for First Revised Sheet No. 14, Original Sheet No. 14A, First Revised Sheet No. 16, Original Sheet No. 16A and Original Sheet No. 16B of Service Agreement No. 531 under the AEP Tariff.

AEPSC also requests an effective date of May 21, 2010 for First Revised Service Agreement No. 303, First Revised Service Agreement No. 304, First Revised Service Agreement No. 305 and First Revised Service Agreement No. 306 under the AEP Tariff.

Other Filing Requirements

AEPSC believes that the materials and information provided herewith are adequate to allow the Commission to accept these revised and original sheets for filing. This filing does not provide for rates or charges so AEPSC is submitting no cost support. Also this filing does not assign any facilities to an entity. To the extent that AEPSC has not complied with the technical requirements of the Commission's regulations applicable to this filing, AEPSC respectfully requests waiver of such regulations. AEPSC has served a copy of this filing on Brownsville and the Public Utility Commission of Texas. A copy of this filing is available for public inspection in AEPSC's offices in Tulsa, Oklahoma and Austin, Texas. Correspondence and communication concerning this filing should be addressed as follows:

Kimberly D. Bose
May 21, 2010
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Kevin F. Duffy
Assistant General Counsel – Regulatory Services
American Electric Power Service Corporation
1 Riverside Plaza
Columbus, Ohio 43215
kfduffy@aep.com

Robert L. Pennybaker
Manager, Transmission and Interconnection Services
American Electric Power Service Corporation
P.O. Box 201
Tulsa, Oklahoma 74102
rlpennybaker@aep.com

This filing consists of an original and five (5) copies each of the following:

1. this transmittal letter;
2. Enclosure 1 that includes First Revised Sheet No. 14, Original Sheet No. 14A, First Revised Sheet No. 16, Original Sheet No. 16A, and Original Sheet No. 16B of Service Agreement No. 531 under the AEP Tariff; and
3. Enclosure 2 that includes First Revised Service Agreement No. 303, First Revised Service Agreement No. 304, First Revised Service Agreement No. 305 and First Revised Service Agreement No. 306 under the AEP Tariff.

Questions regarding this filing should be directed to Robert Pennybaker at (918) 599-2723 or by e-mail to rlpennybaker@aep.com.

Respectfully submitted,



Chris A. Shields
Principal Regulatory Consultant for AEPSC

Enclosures

cc: James McCann – Brownsville
Kevin Duffy – AEPSC
Lauri White – AEPSC
Steven Beaty – AEPSC
Robert Pennybaker – AEPSC

ENCLOSURE 1

Operating Companies of the
American Electric Power System
FERC Electric Tariff, Third Revised Volume No. 6

Service Agreement No. 531
First Revised Sheet No. 14
Supersedes Original Sheet No.14

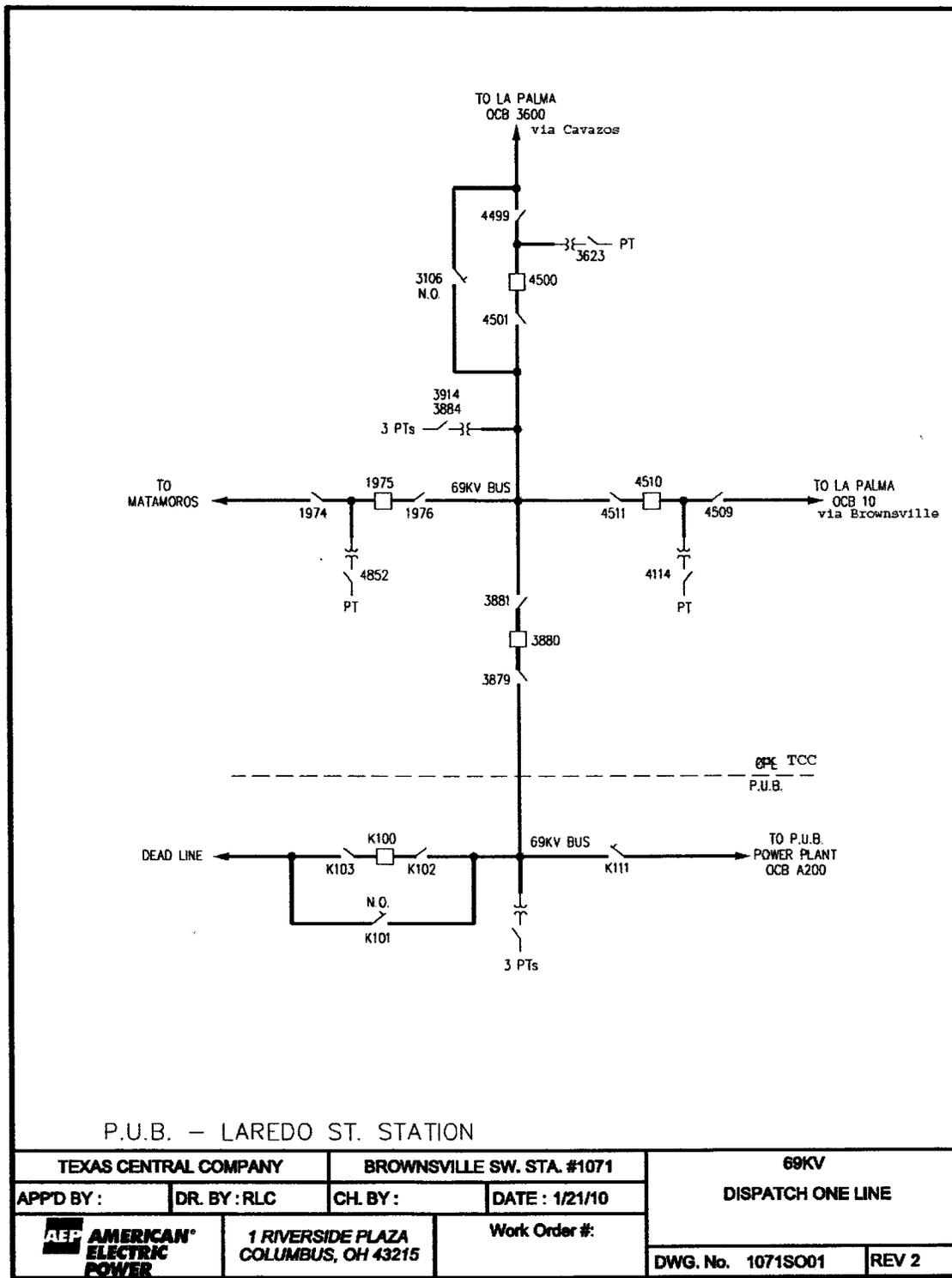
FACILITY SCHEDULE NO. 1

1. Name: **Brownsville Switching Station-Laredo Road Tie**
2. Facility Location: The Brownsville Switching Station and adjacent Laredo Road Substation are located at 1470 Laredo Road in the City of Brownsville, Texas. The Point of Interconnection is at the point where the conductors from the Brownsville Switching Station enter the Laredo Road Substation.
3. Delivery Voltage: 69 kV
4. Metered Voltage: 69 kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:
AEP Texas Central Company (AEP) installed and owns the facilities in its Brownsville Switching Station including circuit breaker 3880 and its associated air switches, PT's and CT's at the Point of Interconnection.

Brownsville installed and owns the facilities in its Laredo Road Substation.
9. Operational Responsibilities of Each Party:
Each Party operates and controls the facilities it owns.
10. Maintenance Responsibilities of Each Party:
Each Party maintains the facilities it owns.
11. Other Terms and Conditions: None

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Service Agreement No. 531
Original Sheet No. 14A



Issued by: Richard E. Munczinski, Senior Vice President-
Regulation and Policy
Issued on: May 21, 2010

Effective Date: May 21, 2010

FACILITY SCHEDULE NO. 3

1. Name: **Military Highway Substation**
2. Facility Location: The Military Highway Substation is located at 2 West Ruben Torres Sr Drive in the City of Brownsville, Texas. There are several Points of Interconnection at this location as indicated by the ownership demarcation lines on the attached one-line diagram.
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138 kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Each Party installed and owns those facilities located on its side of the ownership mark indicated on the attached diagram.

Brownsville and AEP Texas Central Company (AEP) have undivided joint ownership interest (81.48% AEP and 18.52% Brownsville) in the following 138 kV facilities as indicated on the attached diagram:

- the 138 kV transmission line to the US-Mexico border that interconnects with Comisión Federal de Electricidad (CFE)
- the 138 kV facilities within the Military Highway Substation associated with the transmission line to CFE
- the static synchronous compensator (STATCOM) facilities

9. Operational Responsibilities of Each Party:

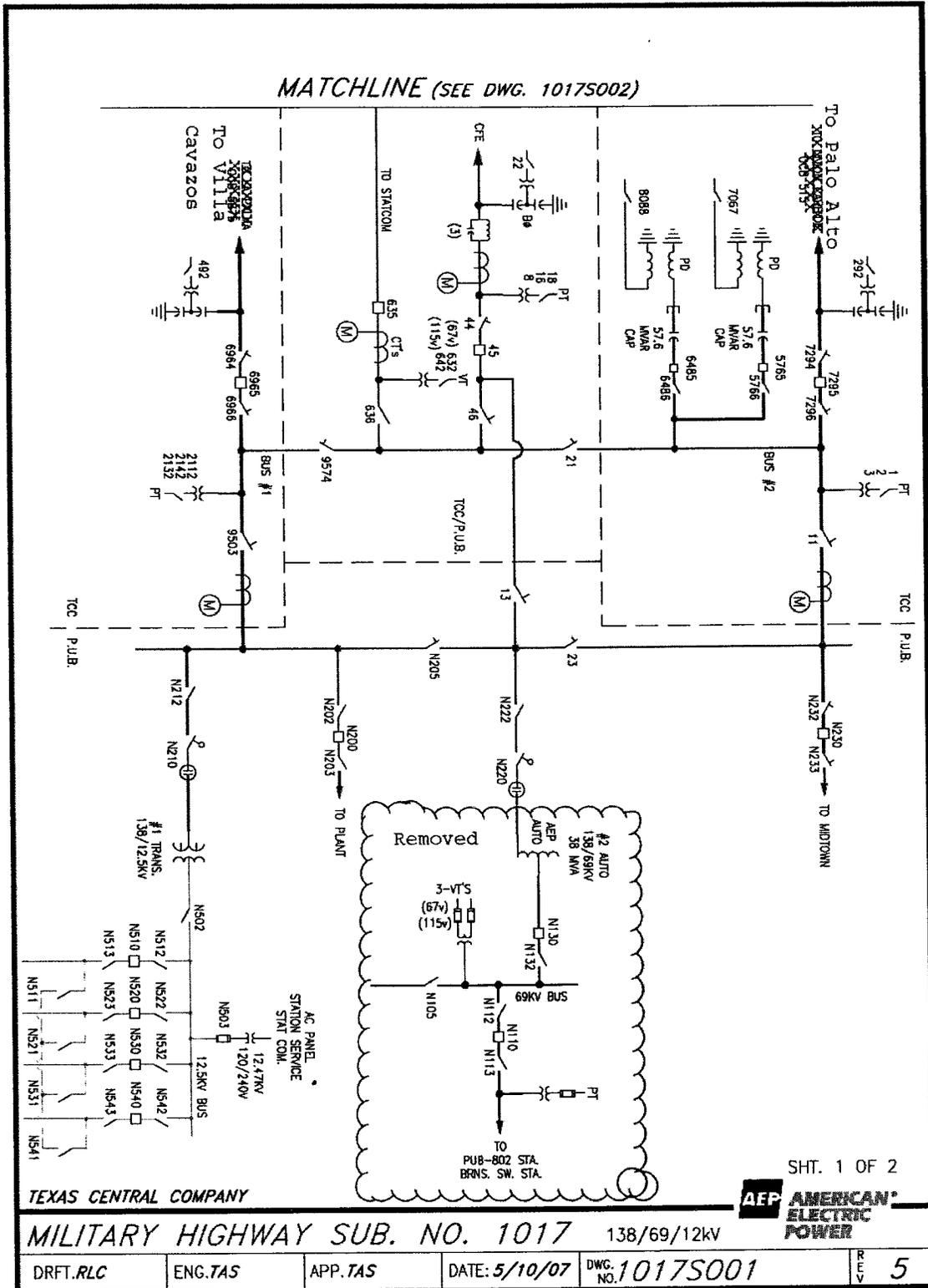
Each Party operates and controls those facilities that it solely owns on its side of the ownership mark indicated on the attached diagram except that AEP operates and controls the jointly-owned 138 kV facilities and STATCOM facilities indicated on the attached diagram.

10. Maintenance Responsibilities of Each Party:

Each Party maintains at its expense those facilities that it solely owns on its side of the ownership mark indicated on the attached diagram except that AEP maintains the jointly-

owned 138 kV facilities and STATCOM facilities and each Party shares the maintenance expense in proportion to its ownership share.

11. Other Terms and Conditions: None



TEXAS CENTRAL COMPANY

MILITARY HIGHWAY SUB. NO. 1017 138/69/12KV

DRFT.RLC ENG.TAS APP.TAS DATE: 5/10/07 DWG. NO. 1017S001 REV 5

SHT. 1 OF 2
AEP AMERICAN ELECTRIC POWER

ENCLOSURE 2

Cancels Service Agreement No. 303

Notice of Cancellation

Cancels Service Agreement No. 304

Notice of Cancellation

Cancels Service Agreement No. 305

Notice of Cancellation

Cancels Service Agreement No. 306

Notice of Cancellation

Operating Companies of the
American Electric Power System
FERC Electric Tariff, Third Revised Volume No. 6

Service Agreement No. 531
Original Sheet No. 1

INTERCONNECTION AGREEMENT BETWEEN
CENTRAL POWER AND LIGHT COMPANY AND
THE CITY OF BROWNSVILLE, TEXAS

This Interconnection Agreement ("Agreement") is made and entered into this 4th day of April, 2001, by and between Central Power and Light Company ("CPL"), a Texas corporation, and the City of Brownsville, Texas ("Brownsville"), acting by and through the Public Utilities Board of the City of Brownsville, ("PUB"), each hereinafter sometimes referred to individually as "Party" or both referred to collectively as "Parties".

WITNESSETH:

WHEREAS, the Parties each own and operate electric utility systems in Texas for the transmission of electric power and energy; and

WHEREAS, the Parties are both members of the Electric Reliability Council of Texas ("ERCOT"); and

WHEREAS, the Parties entered into the CPL-Brownsville Interconnection Contract, dated March 25, 1980 (as amended August 14, 1986); the Transmission Services Agreement, dated January 22, 1981 (as amended August 14, 1986 and October 23, 1991); the Robert E. Roundtree letter agreement, dated January 22, 1981; the Oklaunion Power Transmission Services Agreement, dated December 24, 1986; and the Titan Tire Interconnection Agreement between Central Power and Light Company and the City of Brownsville, dated December 3, 1998; and

WHEREAS, the Parties desire to conform all previous agreements that established interconnections and transmission services between the Parties to Public Utility Commission of Texas Substantive Rules relating to wholesale delivery of electricity in ERCOT; and

WHEREAS, the Parties desire to consolidate within this single Agreement the points of interconnection and interchange between their systems now covered by various agreements; and

WHEREAS, the Parties desire to provide for the interconnection of their respective systems in the respects, and under the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the Parties agree as follows:

Issued by: J. Craig Baker, Senior Vice President-
Regulation and Policy
Issued on: March 17, 2003

Effective Date: March 17, 2003

Operating Companies of the
American Electric Power System
FERC Electric Tariff, Third Revised Volume No. 6

Service Agreement No. 531
Original Sheet No. 2

I. EFFECTIVE DATE AND TERM

1.1 This Agreement and any subsequent addendum to this Agreement shall become effective on the date this Agreement and any subsequent addendum to this Agreement are accepted for filing by the Federal Energy Regulatory Commission ("FERC") and any other regulatory agency or agencies having jurisdiction. This Agreement and any subsequent addendum to this Agreement shall remain in effect for a period of ten (10) years from the effective date of this Agreement or the effective date of any subsequent addendum to this Agreement, which ever is later, and shall continue in effect thereafter, subject to cancellation by either Party upon at least three (3) years written notice to the other Party.

II. SCOPE OF AGREEMENT

2.1 This Agreement shall apply to the construction, operation and maintenance of those facilities to permit the interchange of power and energy between the Parties. Such facilities are specifically identified and described in the Facility Schedules which are attached hereto and incorporated herein.

2.2 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, portions of prior agreements and undertakings, oral and written, between the Parties with regard to the subject matter hereof, including, but not limited to, the CPL-Brownsville Interconnection Contract, dated March 25, 1980, (as amended August 14, 1986); the Robert E. Roundtree letter agreement, dated January 22, 1981 and the Titan Tire Interconnection Agreement, dated December 3, 1998. The Parties agree that all such prior agreements and undertakings shall be of no force or effect upon the effective date of this Agreement. It is expressly acknowledged that the Parties may have other agreements covering other services, which agreements are unaffected by this Agreement, including, without limitation, the Settlement Agreement dated August 31, 1999, among American Electric Power Company, Inc., Central and South West Corporation and the Public Utilities Board of the City of Brownsville, Texas.

Issued by: J. Craig Baker, Senior Vice President-
Regulation and Policy
Issued on: March 17, 2003

Effective Date: March 17, 2003

III. ESTABLISHMENT OF POINTS OF INTERCONNECTION

3.1 The Parties agree to interconnect their facilities at the locations (the "Points of Interconnection"), and in accordance with the terms and conditions, specified in the attached Facility Schedules. The responsibilities of the Parties for the ownership and costs associated with the establishment of each such Point of Interconnection shall be specified on the Facility Schedule applicable to such Point of Interconnection.

3.2 It is understood that the Points of Interconnection described in Facility Schedules No. 1 through 4 were established under prior agreements and that this Agreement reflects descriptions, terms, conditions and responsibilities for each Point of Interconnection contained in those earlier agreements.

3.3 From time to time, Points of Interconnection may be added, relocated or deleted as mutually agreed by the Parties and/or as ordered by a regulatory authority having jurisdiction thereof. All such changes shall be memorialized in writing in amendments to existing Facility Schedules or creation of new Facility Schedules, as appropriate, beginning with Facility Schedule No. 5, if and when needed.

3.4 Unless the Facility Schedule provides for a contribution in aid of construction or other payments, each Party shall, at each Point of Interconnection, at its own risk and expense, design, install, operate and maintain, or cause the design, installation, maintenance, and operation of its transmission and distribution system, including all apparatus and necessary protective devices on its side of the meters, 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 to which the Party is interconnected. The Parties agree to cause their systems to be constructed in accordance with specifications at least equal to those provided by the National Electrical Safety Code, approved by the American National Standards Institute, in effect at the time of construction. Each Party will be responsible for the power and energy and all equipment and facilities on its side of the Point of Interconnection.

3.5 PUB shall have unlimited access to interconnect its facilities, at PUB's expense, at any point on CPL's Union Carbide-Military Highway 138 kV line as though PUB had constructed, owned, operated and maintained the line, subject to the engineering approval of CPL, pursuant to good electric utility practices.

3.6 Each Party will provide the reactive requirements for its own system so as not to impose a burden on the other system.

IV. TRANSMISSION AND DISTRIBUTION SERVICE

4.1 Under existing and planned circumstances of facilities and loads, electric energy generally will flow from the CPL system into the Brownsville system, and from the Brownsville system into the CPL system, at the Points of Interconnection specified herein, so that, in effect, energy is transmitted over and through each of the Parties' systems to and for the benefit of the other Party. In the power and energy accounting contemplated by this Agreement, inadvertent energy flows will be accounted for as prescribed by the ERCOT Operating Guides, as amended from time to time, and as approved by the ERCOT Independent System Operator, the Public Utility Commission of Texas ("PUCT") or their designees. The Parties agree to deem the value of inadvertent flows to each of the Parties as offsetting. This Agreement will not, however, prevent either Party from considering changes in power flow across the Point of Interconnection which result from transmission service provided to a Party in determining appropriate facilities charges. All transmission and distribution services will be provided and charged in accordance with the PUCT Substantive Rules relating to wholesale delivery of electricity in ERCOT and the approved tariffs of the Parties governing the provision of transmission and distribution services.

V. OTHER SERVICES

5.1 This Agreement is applicable only to the interconnection of the facilities of the Parties at the Points of Interconnection and does not obligate CPL or Brownsville to provide, or entitle either Party to receive, any service not expressly provided for herein. CPL and Brownsville are each responsible for making the arrangements necessary to receive any other service that either Party may desire from the other Party or any third party.

5.2 All ancillary services will be provided and charged in accordance with PUCT Substantive Rules relating to ancillary services and the approved tariffs of the Parties governing the provisions of ancillary services.

VI. SYSTEM OPERATIONS

6.1 The Parties shall normally operate their systems in synchronism and shall cooperate in furnishing, through the various points at which their systems are interconnected, such quantities of electric power and energy as either Party may from time to time request from the other in accordance with the terms and conditions of this Agreement.

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American Electric Power System
FERC Electric Tariff, Third Revised Volume No. 6

Service Agreement No. 531
Original Sheet No. 5

VII. OPERATION AND MAINTENANCE OF INTERCONNECTION FACILITIES

7.1 Unless otherwise provided by the Facility Schedule, each Party will be responsible for the maintenance and inspection of all facilities it owns now, or hereafter may own, associated with each Point of Interconnection.

7.2 Operational responsibility for facilities owned by one Party but installed in another Party's substation or transmission line will be identified in the Facility Schedule for that particular Point of Interconnection.

7.3 During the term of this Agreement, the Parties will, consistent with maintaining good operating practices, coordinate their operations to ensure maximum continuity of services to their respective customers. Maintenance by either Party that will cause a deviation from the normal power and energy flow at a Point of Interconnection will be scheduled at a mutually agreeable time. No changes will be made in the normal operation of a Point of Interconnection without the mutual agreement of the Parties. CPL will coordinate the protective devices of the lines and facilities it owns and operates that are interconnected with Brownsville's system with the protective devices of Brownsville's system. Brownsville will coordinate the protective devices of the lines and facilities it owns and operates that are interconnected with CPL's system with the protective devices of CPL's system.

7.4 During emergency conditions, with prior approval of the owning Party, a Party may operate equipment owned by the other Party in order to restore customer service. Such operations will be at no cost to the owner of the equipment and after-the-fact authorization will be prompt and not unreasonably withheld.

VIII. RIGHT OF ACCESS, INSTALLATION AND REMOVAL

8.1 Each Party shall upon reasonable notice permit duly authorized representatives and employees of the other Party to enter upon its premises for the purpose of reading or checking meters, inspecting, testing, repairing, renewing or exchanging any or all of the equipment owned by the other Party located on such premises or for the purpose of performing any work necessary in the performance of this Agreement.

8.2 Each Party grants to the other Party permission to install, maintain and operate, or cause to be installed, maintained and operated, on its premises, the necessary equipment, apparatus and devices required for the performance of this Agreement. Any such installation,

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maintenance, and operation to be performed, except in the case of emergencies, shall be performed only after a schedule of such activity is submitted to the other Party.

8.3 Any and all equipment, apparatus, devices or facilities placed or installed, or caused to be placed or installed by one Party on, or in, the premises of the other Party, shall be and remain the property of the Party owning and installing such equipment, apparatus, devices, or facilities, regardless of the mode and manner of annexation or attachment to real property. Upon the termination of any Point of Interconnection under this Agreement, the Party owning and installing such equipment, apparatus, devices or facilities, shall have the right to enter upon the premises of the other Party and shall, within a reasonable time, remove such equipment, apparatus, devices or facilities.

8.4 Each Party shall clearly mark their respective equipment, apparatus, devices or facilities with appropriate ownership identification.

IX. METERING AND RECORDS

9.1 All metering equipment required herein shall be installed, operated and maintained by the owner in accordance with good engineering practice. Annually, or as otherwise mutually agreed to, the owner will test and inspect meters at the Points of Interconnection. In addition, the owner will inspect and test meters within sixty (60) days after installation and after a change of instrument transformers. Additional tests and inspection of meters shall be made whenever reasonably requested by the other Party, such requesting Party to bear the expense of the additional tests and inspection. The owner of the meter shall give reasonable advance notice of all tests and inspections so that representatives of the other Party may be present. After proper notification to the other Party, the owner may proceed with the scheduled tests or inspections regardless of whether a witness is present.

9.2 If any test or inspection of a meter shows it to be inaccurate by more than one and one-half percent (1.5%) high or low, the meter or other equipment found to be inaccurate or defective shall be promptly repaired, adjusted or replaced by the owner as well as adjustments made to the interchange accounts. Such adjustments to the interchange accounts shall apply to one-half the period since the date of the last test or to the actual period during which such inaccuracy may be determined to have existed. Should metering equipment fail to register, the power and energy delivered and received shall be determined by mutual agreement of the Parties.

9.3 For metering equipment that is by-passed for routine or emergency maintenance of equipment, the power and energy delivered and received during the period of the by-pass or emergency maintenance shall be determined or estimated by mutual agreement of the Parties.

Issued by: J. Craig Baker, Senior Vice President-
Regulation and Policy
Issued on: March 17, 2003

Effective Date: March 17, 2003

Operating Companies of the
American Electric Power System
FERC Electric Tariff, Third Revised Volume No. 6

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9.4 In addition to meter records, the Parties shall make available to each other such log sheets and other records as may exist to afford a history of the various movements of power and energy between the systems of the Parties hereto and others.

9.5 Each Party shall maintain, in accordance with normal utility accounting procedures, complete books and records of their respective construction costs and expenses associated with the establishment of a Point of Interconnection. Each Party will make available to the other Party for inspection, through its employees, agents or independent public accountants, all records used to establish charges in accordance with this Agreement. All inspections will be performed at the inspecting Party's own expense during normal business hours in the offices of the Party in possession of such records.

9.6 All books, records and other pertinent data associated with this Agreement shall be maintained for the most recent historical four (4) year period for the term of this Agreement and for two (2) years following termination of this Agreement.

X. TELECOMMUNICATION EQUIPMENT

10.1 The Parties shall provide, at their own expense, the necessary communication and telemetering facilities needed for the control and operation of each Party's transmission system.

10.2 Each Party agrees to negotiate in good faith with the other Party to provide access to unused communication circuits on its telecommunication systems, when such circuits are available, and also agrees to negotiate to provide access to space on its communications towers and in its communications buildings for the purpose of installing and maintaining equipment necessary to access such available communications circuits, when such space is available. Such negotiations for unused circuits and space will be done on a case by case basis for each Point of Interconnection.

10.3 It is expressly understood that notwithstanding Article X, Section 10.2, this Agreement shall not obligate either Party to provide or construct additional towers, circuit capacity or building space not already available at its existing telecommunications installations. The use by one Party of the other Party's telecommunication systems pursuant to this Article X with respect to communication access must not unduly interfere with the existing or planned uses of each system by its owner. The Parties intend that the agreement contained in this Article X with respect to communication access shall survive the termination of this Agreement and continue in effect until ninety (90) days following the date upon which either Party gives notice to the other Party of its desire to terminate the agreement with respect to communication access contained in this Article X.

Issued by: J. Craig Baker, Senior Vice President-
Regulation and Policy
Issued on: March 17, 2003

Effective Date: March 17, 2003

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XI. INDEMNIFICATION

11.1 EACH PARTY, TO THE EXTENT PERMITTED BY LAW, SHALL INDEMNIFY, DEFEND AND SAVE HARMLESS THE OTHER PARTY, ITS DIRECTORS, OFFICERS AND AGENTS (INCLUDING, BUT NOT LIMITED TO DIRECTORS, OFFICERS AND EMPLOYEES OF ITS AFFILIATES AND CONTRACTORS) FROM ANY AND ALL DAMAGES, LOSSES, CLAIMS, INCLUDING CLAIMS AND ACTIONS RELATING TO INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO PROPERTY, DEMANDS, SUITS, RECOVERIES, COSTS AND EXPENSES, COURT COSTS, ATTORNEY FEES, AND ALL OTHER OBLIGATIONS BY OR TO THIRD PARTIES, ARISING OUT OF OR RESULTING FROM NEGLIGENCE OR OTHER FAULT IN THE DESIGN, CONSTRUCTION OR OPERATION OF THEIR RESPECTIVE FACILITIES DURING THE PERFORMANCE OF THIS AGREEMENT, EXCEPT IN CASES OF NEGLIGENCE OR INTENTIONAL WRONGDOING BY THE OTHER PARTY.

XII. TECHNICAL COMMITTEE

12.1 For purposes of administering this Agreement, a Technical Committee shall be created, consisting of one representative from each Party. This Technical Committee shall meet as required, with either representative having the right to convene such a meeting upon reasonable notice to the other representative.

12.2 At the request of either Party, the Technical Committee shall investigate the feasibility of establishing another normally closed Point of Interconnection between the Parties' transmission systems that would benefit either Party. Assuming any such investigation results in a finding that the establishment and use of such interconnection would be beneficial to a Party, would not impair the quality of the other Party's existing or planned services, and would not require the construction by the other Party of any new transmission facilities, or otherwise increase the cost to the other Party, each Party agrees that, subject to agreement as to ownership, cost and operational responsibility, and scheduling, it will use its best efforts to cooperate with the other Party in establishing such interconnection.

XIII. NOTICES

Issued by: J. Craig Baker, Senior Vice President-
Regulation and Policy
Issued on: March 17, 2003

Effective Date: March 17, 2003

Operating Companies of the
American Electric Power System
FERC Electric Tariff, Third Revised Volume No. 6

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Original Sheet No. 9

13.1 Notices and communication made pursuant to this Agreement shall be deemed to be properly given if delivered in writing, postage paid, to the following:

If to CPL:

Director, Transmission & Interconnection Services
American Electric Power Service Corporation

Overnight: 1 Riverside Plaza
Columbus, OH 43215

U.S. Mail: 1 Riverside Plaza
Columbus, OH 43215

Voice: 614-223-2764

Fax: 614-223-1555

If to Brownsville:

General Manager and Chief Executive Officer
Public Utilities Board of the City of Brownsville

Overnight: 1425 Robinhood Drive
Brownsville, TX 78521

U.S. Mail: P.O. Box 3270
Brownsville, TX 78523-3270

Voice: (956) 982-6276

Fax: (956) 982-6220

13.2 The above listed names, addresses and telephone numbers of either Party may be changed by written notification to the other Party.

XIV. GOVERNING LAW AND REGULATORY AUTHORITY

14.1 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 of Texas. This Agreement is subject to all valid applicable federal, state, and local laws, ordinances, and rules and regulations of duly constituted regulatory authorities having jurisdiction.

14.2 After execution by both Parties, Brownsville will file this Agreement with the PUCT and CPL will file this Agreement with the FERC.

Issued by: J. Craig Baker, Senior Vice President-
Regulation and Policy
Issued on: March 17, 2003

Effective Date: March 17, 2003

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Service Agreement No. 531
Original Sheet No. 10

14.3 This Agreement is subject to the approval of any regulatory authority having jurisdiction over the Parties hereto. Both Parties hereby agree to support the approval of this Agreement before such regulatory authority and to provide such documents, information and opinions as may be reasonably required or requested by either Party in the course of approval proceedings. Except by mutual agreement, neither Party shall request any regulatory authority having jurisdiction to order a change in this Agreement.

14.4 In the event that a regulatory authority having jurisdiction over the Parties orders a change in a term or terms of this Agreement, the Parties agree to negotiate in good faith a replacement term or terms that will most nearly accomplish the purpose and intent of the original term consistent with the regulatory order. If the Parties cannot reach an agreement over the new term and if the old term is an essential provision of this Agreement, either Party may elect to terminate this Agreement, by providing notice of such election to the other. An election to terminate under this provision shall not effect either Party's duty to perform prior to the effective date of termination. Under this section, CPL may not, however, open switches, disconnect or abandon its interconnections with Brownsville without the express formal approval of the regulatory authority having jurisdiction.

XV. INVOICING AND PAYMENT

15.1 Invoices for sums due hereunder will be rendered monthly by each Party to the other at the following address:

If to CPL:

Central and South West Services, Inc.
Attn: Accounts Payable
P.O. Box 21928
Tulsa, OK 74121-1928

If to Brownsville:

Public Utilities Board of the City of Brownsville
Attn: Accounts Payable
P.O. Box 3270
Brownsville, TX 78523-3270

15.2 The above listed addresses of either Party may be changed by written notification to the other Party.

Issued by: J. Craig Baker, Senior Vice President-
Regulation and Policy
Issued on: March 17, 2003

Effective Date: March 17, 2003

15.3 Parties must receive payment by the 20th calendar day after the date of issuance of the invoice, unless the Parties agree on another mutually acceptable deadline, in accordance with PUCT Substantive Rules relating to billing and payment. Interest will accrue on any unpaid amount, calculated in accordance with PUCT Substantive Rules. When payments are made by mail, invoices are considered as having been paid on the date of receipt by the Party.

XVI. TAXES

16.1 All present or future federal, state, municipal, or other lawful tax (excluding federal income tax) applicable by reason of any service performed by CPL, or any compensation paid to CPL hereunder shall be added to the net invoice to Brownsville as determined under the appropriate tax rates and schedules.

16.2 All present or future federal income tax applicable by reason of revenues received by CPL from Brownsville in the form of a contribution in aid of construction hereunder shall be added to the net invoice to Brownsville as determined under the appropriate tax rates and schedules.

16.3 CPL and Brownsville agree that it is the intent of the Parties that performance under this Agreement will in no way jeopardize the tax-exempt status of Brownsville and the tax-exempt nature of Brownsville's property and use of facilities.

XVII. ASSIGNMENT

17.1 This Agreement shall inure to the benefit of and be binding upon the respective heirs, legal representatives, successors and assigns of the Parties. Neither Party shall assign this Agreement or any part thereof to any third party without the written prior consent of the other Party, except in connection with the assignment of this Agreement by either Party to an affiliate, the merger of either Party or the sale by either Party of a substantial portion of its assets. Such consent shall not be unreasonably withheld.

XVIII. MISCELLANEOUS

18.1 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

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Original Sheet No. 12

the Parties, and the obligations herein assumed are solely for the benefit of the Parties, their respective heirs, legal representatives, successors and assigns.

18.2 No Party will be considered in default as to any obligation under this Agreement, other than an obligation to pay money, if prevented from fulfilling the obligation due to an event of Force Majeure. Force Majeure shall mean any unforeseeable cause beyond the reasonable control of and without the fault or negligence of the Party claiming Force Majeure, including but not limited to acts of God, strike (including that by vendor personnel), flood, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance, sabotage, change in law or applicable regulation subsequent to the date hereof and action or inaction by any federal, state or local legislative, executive, administrative judicial agency or body which, in any of the foregoing cases, by exercise of due foresight such Party could not reasonably have been expected to avoid, and which, by the exercise of due diligence, it is unable to overcome. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement.

18.3 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of this Agreement will not be considered to waive the obligations, rights or duties imposed upon the Parties by this Agreement.

18.4 This Agreement shall not affect the obligations or rights of either Party with respect to other agreements. Both Parties to this Agreement represent that there is no agreement or other obligation binding upon it which, as Party is presently aware, would limit the effectiveness or frustrate the purpose of this Agreement.

18.5 This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced in writing and executed by the Parties.

18.6 The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and are afforded no significance in the interpretation or construction of this Agreement.

18.7 This Agreement will be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

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Service Agreement No. 531
First Revised Sheet No. 14
Supersedes Original Sheet No.14

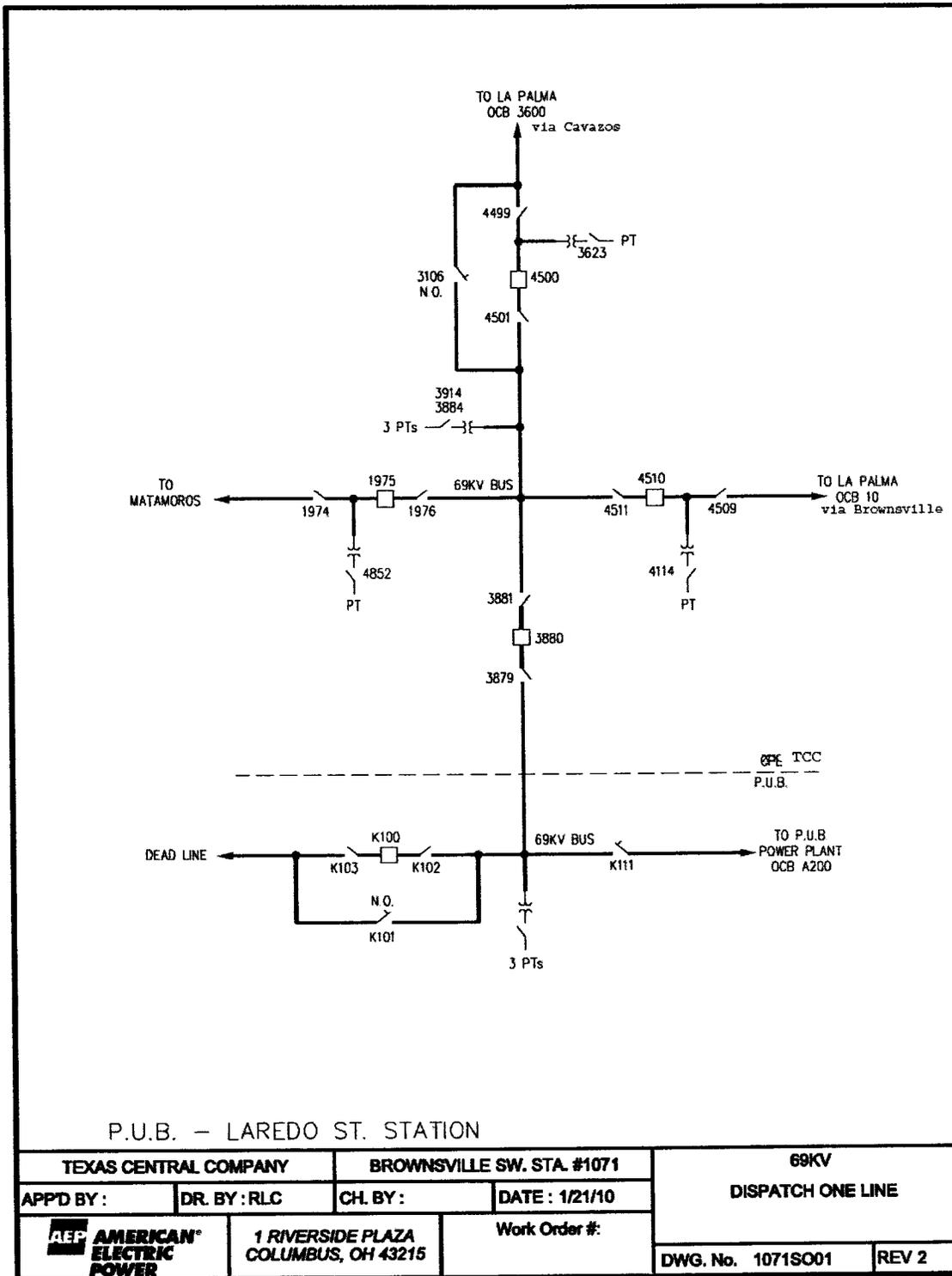
FACILITY SCHEDULE NO. 1

1. Name: **Brownsville Switching Station-Laredo Road Tie**
2. Facility Location: The Brownsville Switching Station and adjacent Laredo Road Substation are located at 1470 Laredo Road in the City of Brownsville, Texas. The Point of Interconnection is at the point where the conductors from the Brownsville Switching Station enter the Laredo Road Substation.
3. Delivery Voltage: 69 kV
4. Metered Voltage: 69 kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:
AEP Texas Central Company (AEP) installed and owns the facilities in its Brownsville Switching Station including circuit breaker 3880 and its associated air switches, PT's and CT's at the Point of Interconnection.

Brownsville installed and owns the facilities in its Laredo Road Substation.
9. Operational Responsibilities of Each Party:
Each Party operates and controls the facilities it owns.
10. Maintenance Responsibilities of Each Party:
Each Party maintains the facilities it owns.
11. Other Terms and Conditions: None

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Service Agreement No. 531
Original Sheet No. 14A



Issued by: Richard E. Munczinski, Senior Vice President-
Regulation and Policy
Issued on: May 21, 2010

Effective Date: May 21, 2010

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Original Sheet No. 15

FACILITY SCHEDULE NO. 2

1. Name: **Loma Alta Substation**
2. Facility Location: PUB's Loma Alta Substation in CPL's Union Carbide-La Palma 138 kV line 1/2 mile NW of CPL's Union Carbide Substation near Port of Brownsville in Cameron County, Texas
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138 kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. Control Area Interchange Point: Yes
8. One-Line Diagram Attached: No
9. Description of Facilities Installed and Owned by Each Party:
PUB installed and owns all facilities at its Loma Alta Substation.
10. Operational Responsibilities of Each Party:
PUB operates all facilities at its Loma Alta Substation.
11. Maintenance Responsibilities of Each Party:
PUB maintains all facilities at its Loma Alta Substation.
12. Other Terms and Conditions: None

FACILITY SCHEDULE NO. 3

1. Name: **Military Highway Substation**
2. Facility Location: The Military Highway Substation is located at 2 West Ruben Torres Sr Drive in the City of Brownsville, Texas. There are several Points of Interconnection at this location as indicated by the ownership demarcation lines on the attached one-line diagram.
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138 kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Each Party installed and owns those facilities located on its side of the ownership mark indicated on the attached diagram.

Brownsville and AEP Texas Central Company (AEP) have undivided joint ownership interest (81.48% AEP and 18.52% Brownsville) in the following 138 kV facilities as indicated on the attached diagram:

- the 138 kV transmission line to the US-Mexico border that interconnects with Comisión Federal de Electricidad (CFE)
- the 138 kV facilities within the Military Highway Substation associated with the transmission line to CFE
- the static synchronous compensator (STATCOM) facilities

9. Operational Responsibilities of Each Party:

Each Party operates and controls those facilities that it solely owns on its side of the ownership mark indicated on the attached diagram except that AEP operates and controls the jointly-owned 138 kV facilities and STATCOM facilities indicated on the attached diagram.

10. Maintenance Responsibilities of Each Party:

Each Party maintains at its expense those facilities that it solely owns on its side of the ownership mark indicated on the attached diagram except that AEP maintains the jointly-

owned 138 kV facilities and STATCOM facilities and each Party shares the maintenance expense in proportion to its ownership share.

11. Other Terms and Conditions: None

FACILITY SCHEDULE NO. 4

1. Name: **Titan Tire Substation**
2. Facility Location: PUB's Titan Substation approximately where CPL's Union Carbide-Military Highway 138 kV line intersects Paredes Line Rd (Hwy 1847)
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138 kV: All inter-control area metering shall meet the applicable provisions of the ERCOT Operating Guides. Inter-control area metering shall utilize 138 kV PT's and CT's.
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. Control Area Interchange Point: Yes
8. One-Line Diagram Attached: Yes
9. Description of Facilities Installed and Owned by Each Party:

CPL:

- All of the following facilities are installed by PUB and owned by CPL:
- Two deadend structures placed in CPL's Union Carbide-Military Highway 138 kV line approximately 1500 feet from PUB's Titan Tire Substation
 - One primary billing meter at a mutually acceptable location in PUB's Titan Tire Substation
 - Three 138 kV potential transformers required for metering each substation transformer
 - Three 138kV current transformers required for metering each substation transformer

PUB:

- All of following facilities are installed and owned by PUB
- Approximately 1500 feet of circuit line looped into PUB's Titan Tire Substation from the two deadend structures installed by PUB
 - Two 138 kV circuit switchers and associated disconnect switches

- Three 138 kV lightning arresters
- One multiported RTU and associated interface equipment as required by both Parties utilizing Harris 5000 protocol capable of reading MW, MVAR, MWH and 138 kV circuit switcher voltage and indicating operating status of the 138 kV circuit switcher.
- Data circuits, including associated interface equipment as required by both Parties, from the Titan Tire Substation to i) CPL/CSW's San Benito microwave equipment and ii) PUB's System Control Center.
- Conduit, foundations, structures, junction boxes and meter panel required for metering each substation transformer

10. Cost Responsibilities of Each Party:

CPL will be responsible for costs incurred in procurement of primary billing meter, PT and CT equipment, excluding associated conduit, foundations, structures, junction boxes and meter panel identified under item 9 above.

PUB will be responsible for all costs for which CPL is not responsible and all costs incurred by PUB in association with providing the facilities under item 9 above. After establishment of this Point of Interconnection, PUB will pay the maintenance and monthly charges of the data circuits specified in item 9 above.

11. Operational Responsibilities of Each Party:

PUB will operate and control all facilities at its Titan Tire Substation with the exception of the two 138 kV circuit switchers. CPL will operate and control its Union Carbide-Military Highway 138 kV line and the two 138 kV circuit switchers located at PUB's Titan Tire Substation.

12. Maintenance Responsibilities of Each Party:

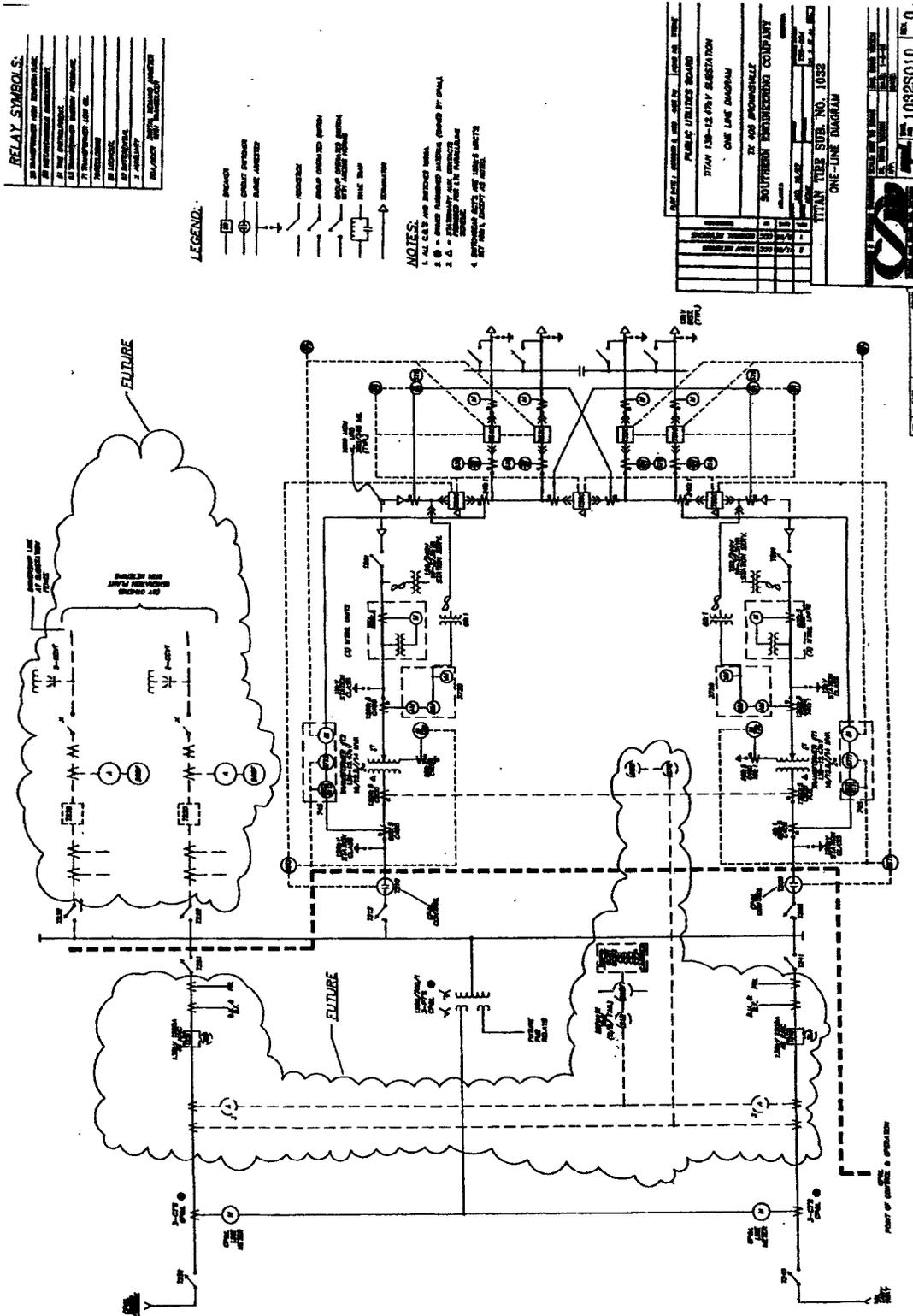
PUB maintains all facilities it owns under item 9 above. CPL maintains all facilities it owns under item 9 above.

13. Other Terms and Conditions:

Grounding system design plans shall be given to CPL for approval prior to construction by PUB. Design, location and connection plans of potential transformers, current transformers, meters and associated conduit shall be given to CPL for approval prior to construction by PUB.

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FACILITY SCHEDULE NO. 5

1. Name: **Palo Alto Substation**
2. Facility Location: PUB's Palo Alto Substation approxiately one span from the Titan Tire (PUB) to Military Highway (CPL) 138 kV line where the line intersects Old Alice Highway in Cameron County, Texas.
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138 kV: All metering shall meet the applicable provisions of the ERCOT Operating Guides, Protocols and Metering Guidelines.
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: No
8. Description of Facilities Procured, Paid For, Installed, Owned, Operated and Maintained by Each Party:

Each party will procure, pay for, install, own, operate and maintain the facilities installed as described below.

Facility	Procure	Pay For	Own	Install	Operate & Maintain
Palo Alto Substation and all substation facilities except those described below	PUB	PUB	PUB	PUB	PUB
Circuit breakers that protect CPL's Union Carbide – Military Hwy 138 kV line	PUB	PUB	PUB	PUB	operated by CPL, maintained by PUB
RTU required by CPL to monitor and control circuit breakers that protect CPL's Union Carbide – Military Hwy 138 kV line	PUB	PUB	CPL	PUB	CPL
Cable from CPL monitored and	PUB	PUB	PUB	PUB	PUB

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controlled facilities to CPL's RTU.					
Multiple Address System (MAS) remote radio, coax, and antenna for RTU communication to CPL control center	PUB	PUB	CPL	PUB	CPL
125 VDC power source for CPL's RTU and MAS	PUB	PUB	PUB	PUB	PUB
One 60' Class 2 wood pole and space for MAS coax and antenna	PUB	PUB	PUB	PUB	PUB
Transmission line deadend structures and line looped into Palo Alto Substation	PUB	PUB	PUB	PUB	operated by CPL, maintained by PUB
MAS master radio installed at unspecified CPL substation	CPL	CPL	CPL	CPL	CPL

9. Other Terms and Conditions:

- Initial layout of Palo Alto Substation is subject to approval by CPL
- PUB will be responsible for all costs that CPL incurs in their review of PUB plans, designs and construction of PUB's facilities (with a maximum of \$5000.00 to be reimbursed to CPL upon delivery of an itemized invoice to PUB)
- Transmission line deadend structures and line looped into Palo Alto will be designed and installed in accordance with CPL standards
- Cable for CPL's RTU will be procured and installed in accordance with CPL specifications. Leads at the RTU will be connected to the RTU by CPL.
- CPL will be responsible for all costs it incurs in programming, connecting, testing and maintenance of its RTU
- PUB will procure in accordance with CPL specifications and install in coordination with CPL the MAS remote radio, coax, wood pole and antenna for CPL communication.

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IN WITNESS WHEREOF, the Parties have caused this addendum to be executed in two counterparts, each of which shall be deemed an original but all shall constitute one and the same instrument, on this 29th day of January, 2003, which shall be attached to and become a part of the Interconnection Agreement Between Central Power and Light Company and The City of Brownsville, Texas dated April 4, 2001.

CITY OF BROWNSVILLE, TEXAS

Acting by and through the Public Utilities
Board of the City of Brownsville, Texas

By: [Signature]
John S. Bruciak
General Manager and CEO

Date: 12-9-02

**CENTRAL POWER AND LIGHT
COMPANY**

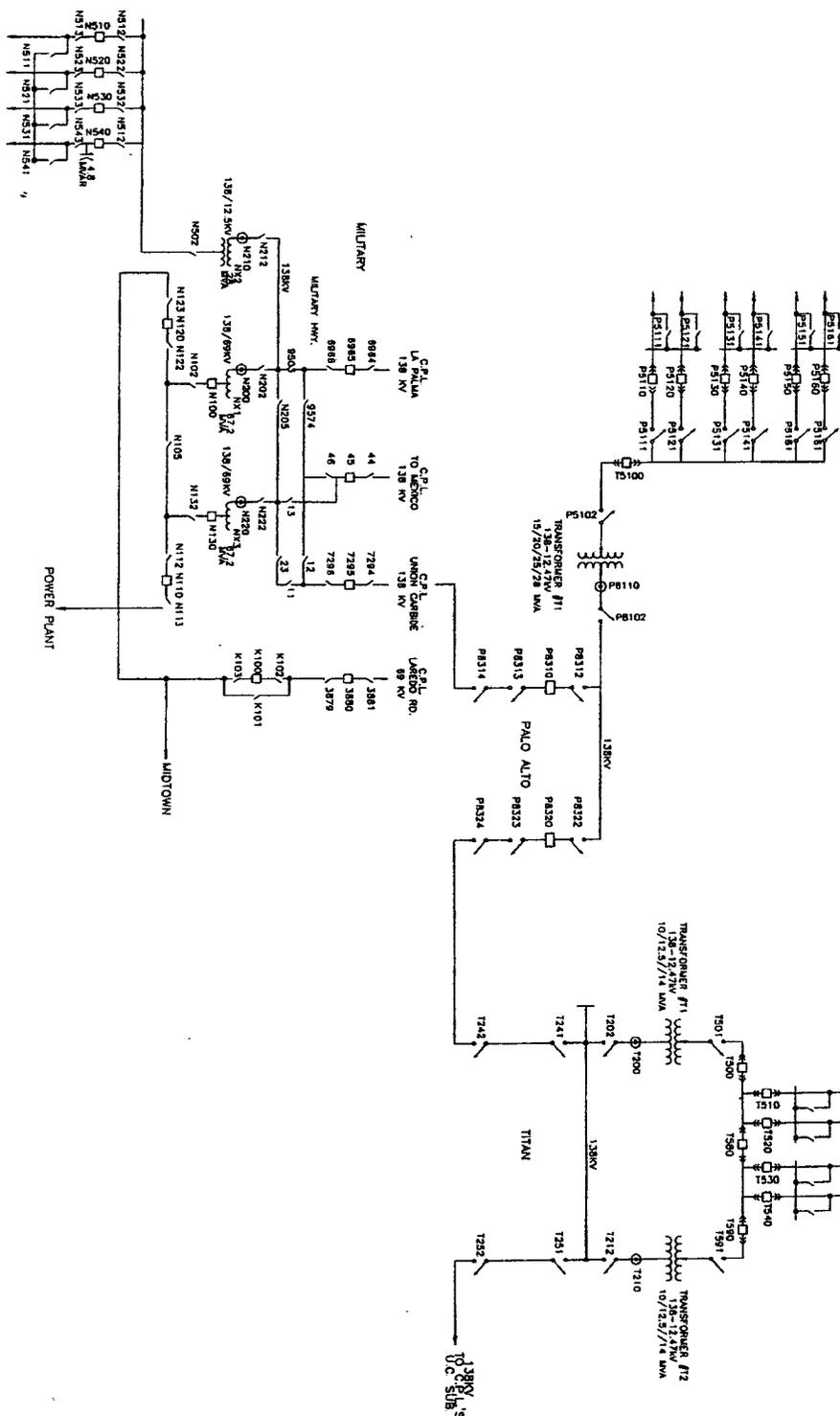
By: [Signature]
Richard Verret
Vice President

CAS

Date: 1/29/03

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Original Sheet No. 23



Drawn by: J.C.B.	Scale: AS SHOWN
Checked by: J.C.B.	Scale: AS SHOWN
Approved by: J.C.B.	Scale: AS SHOWN
Project No.:	Scale: AS SHOWN
Sheet No.:	Scale: AS SHOWN

69KV(1-LINE-DIAGRAM)
PALO ALTO PROP.

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