



Control Number: 35077



Item Number: 231

Addendum StartPage: 0

PUBLIC UTILITY COMMISSION OF TEXAS
Substantive Rule 25.195(e)

Project No. 35077

INTERCONNECTION AGREEMENT
AND AMENDMENT NO. 1

DATED AS OF MARCH 29, 2010

BETWEEN

AEP TEXAS NORTH COMPANY,
PUBLIC SERVICE COMPANY OF OKLAHOMA

AND

ELECTRIC TRANSMISSION TEXAS, LLC

MAY 13, 2011

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INTERCONNECTION AGREEMENT
AMONG
AEP TEXAS NORTH COMPANY,
PUBLIC SERVICE COMPANY OF OKLAHOMA
AND
ELECTRIC TRANSMISSION TEXAS, LLC

INTERCONNECTION AGREEMENT

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INTERCONNECTION AGREEMENT

This Interconnection Agreement (this "Agreement") is made and entered into effective as of the Effective Date (as defined below), by and among AEP Texas North Company ("TNC"), Public Service Company of Oklahoma ("PSO") and Electric Transmission Texas, LLC, ("ETT"), each sometimes hereinafter referred to individually as "Party" or all referred to collectively as "Parties".

RECITALS

- A. The Parties each own and operate electric utility systems for the transmission of electric power and energy.
- B. TNC and ETT are both members of the Electric Reliability Council of Texas ("ERCOT") and are subject to regulation by the Public Utility Commission of Texas ("PUCT").
- C. PSO is a member of the Southwest Power Pool ("SPP") and is subject to regulation by the Oklahoma Corporation Commission ("OCC").
- D. TNC and PSO each own an undivided interest in the Oklaunion HVDC Substation and ETT owns certain facilities that are interconnected to the Oklaunion HVDC Substation.
- E. The Parties desire to provide for the interconnection of their respective electric systems at the Oklaunion HVDC Substation in the respects, and under the terms and conditions, set forth below.

AGREEMENTS

NOW, THEREFORE, the Parties hereby agree as follows:

1. DEFINITIONS; RULES OF CONSTRUCTION

1.1. Definitions.

As used in this Agreement, terms defined in Exhibit 1.1 have the meanings set forth therein.

1.2. Rules of Construction.

Unless the context of this Agreement requires otherwise, the plural includes the singular, the singular includes the plural, and "including" has the inclusive meaning of "including without limitation." The words "hereof," "herein," "hereby," "hereunder" and other similar terms of this Agreement refer to this Agreement as a whole and not exclusively to any particular provision of this

Agreement. All pronouns and any variations thereof will be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require. Unless otherwise expressly provided, a) references to any agreement, document or instrument shall mean such agreement, document or instrument as the same may be amended, modified, supplemented or replaced from time to time, including by waiver or consent; and includes all exhibits, schedules, and attachments thereto; and b) references to Applicable Law shall mean a reference to such Applicable Law as the same may be amended, modified, supplemented or restated and be in effect from time to time, including by succession of comparable successor law.

2. **GENERAL PROVISIONS**

2.1. Effective Date and Term.

This Agreement shall be effective as of March 29, 2010, or such other date as the Federal Energy Regulatory Commission ("FERC") may authorize (the "Effective Date"). Unless otherwise mutually agreed, this Agreement will remain in effect so long as the Parties continue to have interconnected facilities.

2.2. Objective and Scope.

- 2.2.1. It is the intent of the Parties, by this Agreement, to state the terms and conditions under which the Parties' transmission and distribution systems will be interconnected at the HVDC Substation as described in the Facility Schedules.
- 2.2.2. This Agreement will apply to the ownership, control, operation, and maintenance of only those facilities, which are specifically identified and described in the Facility Schedules, which are attached hereto and incorporated herein, to permit interchange of power and energy between the Parties or to meter the power and energy delivered at a wholesale delivery point on a Party's system.
- 2.2.3. This Agreement, including all attached Facility Schedules, constitutes the entire agreement and understanding among the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. In the event of a conflict between a Facility Schedule and the body of this Agreement, the Facility Schedule will control. In the event of a conflict between this Agreement and the Amended and Restated Interconnection Agreement dated as of March 29, 2010 between ETT and TNC with respect to the Points of Interconnection expressly provided for in this Agreement,

between ETT and TNC, this Agreement will control. 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 if not set forth or provided for herein. This Agreement replaces all other agreements and undertakings, oral and written, among the Parties with regard to the subject matter hereof; provided, however, the parties agree that this Agreement is not intended to modify or replace in any way, that certain "Oklaunion HVDC Project Construction, Ownership and Operating Agreement" among PSO, TNC and American Electric Power Service Corporation (as successor to Central and South West Services, Inc.) dated September 14, 1988. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein. Such agreements are unaffected by this Agreement; however, this Agreement will be construed to not conflict with such other agreements.

3. ESTABLISHMENT AND TERMINATION OF POINTS OF INTERCONNECTION

- 3.1. The Parties agree to interconnect their facilities at the locations, and in accordance with the terms and conditions, specified in Schedule 3.1 and the Facilities Schedules attached thereto. All Points of Interconnection will be specified in Schedule 3.1 and the Facilities Schedules as they may be amended from time to time. The Facility Schedules will specify the responsibilities of the Parties with respect to ownership, control, operation, and maintenance of the connection facilities.
- 3.2. Unless otherwise provided in a Facility Schedule, each Party will, at each Point of Interconnection, at its own risk and expense, design, install, or cause the design, and installation of its transmission or Distribution Facilities (including all apparatus and necessary protective devices) on its side of the Point of Interconnection, so as to reasonably minimize the likelihood of voltage and frequency abnormalities. The Parties agree that all Points of Interconnection will be established in conformance with ERCOT Requirements and SPP Requirements, as the same may be amended hereafter. 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 meeting or exceeding these specifications for the equipment and facilities it owns at each Point of Interconnection.
- 3.3. From time to time, a Point of Interconnection may be added to or deleted from this Agreement as mutually agreed by the Parties and/or as ordered by a

regulatory authority having jurisdiction thereof. Any such addition or deletion will be made to Schedule 3.1 and the Facilities Schedules attached thereto in such a way that the numbering of the other Facility Schedules is not changed.

4. OTHER SERVICES

- 4.1. This Agreement is applicable only to the interconnection of the facilities of the Parties at the Points of Interconnection and does not obligate the Parties to provide, or entitle the Parties to receive, any service not expressly provided for herein. Each Party is responsible for making the arrangements necessary to receive any other services that a Party may desire from another Party or any third party.
- 4.2. All transmission, transformation, distribution, metering, operations, and maintenance services will be provided and charged under agreements separate from this Agreement.

5. SYSTEM OPERATION AND MAINTENANCE

- 5.1. Unless otherwise provided by a Facility Schedule, each Party will be responsible for the operation, maintenance, and inspection of all facilities owned by that Party at each Point of Interconnection. If ETT changes the O & M Service Provider that it uses to meet these operational responsibilities, ETT shall provide written notice to the other Parties, and such notice shall include a transition plan. The notice shall be sent as much in advance of the change as possible and, except in the event that ETT terminates its O&M Service Provider on grounds of default, in no event less than ninety (90) days in advance of the change of O&M Service Provider. Such transition plan will be in accordance with Good Utility Practice, any applicable ERCOT Requirements, any applicable SPP Requirements, and any applicable requirements of the PUCT and OCC. Such transition plan shall address topics such as the implementation schedule, presence of qualified field service personnel, emergency response operations, and control center operations. The other Parties shall have the right to review and comment on the requirements of the transition plan, with such comments not to be unreasonably refused by the other Parties when determining such requirements.
- 5.2. Each Party will operate its electrical network in such a manner that power flows that enter and exit that Party's transmission network do not have undue impacts on the other Parties' transmission networks. Operational responsibility by one Party for facilities owned by another Party will be identified in the Facilities Schedule for that particular Point of Interconnection. Unless otherwise provided by the Facility Schedules, each Party will operate the facilities within its

transmission network. Transmission networks will be designed and operated so as to reasonably minimize the likelihood of a disturbance originating in the system of one Party from affecting or impairing the system of the other Party or other systems to which the Party is interconnected.

- 5.3. Unless otherwise provided by a separate agreement, each Party will perform the control center operations for the facilities it owns. These control center activities will include, but are not limited to, switching clearances for planned maintenance and operations, emergency system restoration, and overall coordination of such activities with ERCOT and SPP.
- 5.4. During the term of this Agreement, the Parties will, consistent with Good Utility Practice, coordinate their operations to maintain continuity of service to their respective customers to the extent practicable. Planned maintenance by a 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 Party. The Parties will, to the extent necessary to support continuity of operations, coordinate the operation of protective devices on the facilities they own or operate in the proximity of the Points of Interconnection that might reasonably be expected to affect the operation of facilities on the other Parties' systems.
- 5.5. Maintenance plans for facilities, including circuit breakers, that terminate at the transmission facilities owned by the other Party will be subject to review and approval by the Party that owns the transmission facilities. Such approval will not be unreasonably withheld.
- 5.6. During periods of emergency conditions declared by ERCOT or SPP, or as necessary to restore customer service, a Party may operate equipment that is normally operated by another Party, provided that authorization to do so must first be received from the Party that normally operates the equipment. Such authorization shall not be unreasonably withheld or delayed. It will be considered reasonable for the Party that normally operates such equipment to deny such a request by the other Party if the withholding Party will provide such operation within the time frame called for in the circumstances.
- 5.7. Each Party will determine the operating limits of the facilities that it owns, and the operating Party of those facilities will not exceed those limits without prior approval of the Party owning the facilities.
- 5.8. Power Quality. No Party's facilities shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict

between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, the applicable superseding electric industry standard shall control.

- 5.9. Switching and Tagging Rules. Each Party agrees that the switching and tagging rules and policies followed to ensure safe electrical working conditions will be the most current approved switching and tagging rules and policies of the O & M Service Provider that is operating the facilities.

5.10 Shared Facilities.

- 5.10.1 At no cost other than a share of operation and maintenance expenses as determined under arrangements separate from this Agreement, the Party who owns a Shared Facility will, as applicable with respect to that Shared Facility, provide to the other Party (the "Non-Owner") as appropriate for the operation and maintenance of the Non-Owner's facilities: i) 120V AC power and backup power from the Shared Facility; ii) access to data from any instrument transformer constituting the Shared Facility; iii) access through perimeter entry gates constituting the Shared Facility; iv) access to and the use of any control house structure constituting the Shared Facility and rack space therein; and v) the use and enjoyment of any of the following that constitute the Shared Facility: fire control and lightning protection equipment; HVAC; ground grid; foundations; cable trays, trenches, raceways and conduit banks; lighting; and spill prevention and retention facilities for the Non-Owner's facilities installed within the substation.
- 5.10.2 Such power, access, use, and enjoyment will be provided on an AS IS basis, without warranty of any kind, express or implied, as to the quality or quantity thereof, the adequacy or suitability thereof for the Non-Owner's purposes, or otherwise, and without any promise that the same will be available on a continuous or non-interrupted basis.
- 5.10.3 Except to the extent that the cost-sharing purpose of this Section 5.11.3 is met by other arrangements, the owner of a Shared Facility will be entitled to invoice the Non-Owner from time to time for, and the Non-Owner will pay within thirty (30) days of such invoice, a share of the owner's operations and maintenance expense incurred with respect to that Shared Facility to reasonably reflect on a cost basis the Non-Owner's access, use, and enjoyment of and receipt of services from, that shared Facility.

6. RIGHTS OF ACCESS, EQUIPMENT INSTALLATION, AND REMOVAL

- 6.1. Each Party will permit duly authorized representatives and employees of the other Party to enter upon its premises for the purpose of inspecting, testing, repairing, renewing, or exchanging any or all of the equipment owned by the other Party that is located on such premises or for the purpose of performing any work necessary in the performance of this Agreement.
- 6.2. Each Party grants to the other permission to install, maintain, and/or operate, or cause to be installed, maintained and/or operated, on its premises, the apparatus and devices necessary for metering, telemetering, recording, and communications required for the performance of this Agreement. Any such installation, maintenance, and operation will be performed, except in the case of emergencies, only after a schedule of such activity has been submitted and agreed upon by the Parties.
- 6.3. Any and all equipment, apparatus, devices, or facilities installed, or caused to be installed by one Party on, or in, the premises of the other Party, will 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 on the property of the other Party, will: i) have the right to sell such equipment, apparatus, devices, or facilities to the other Party or ii) enter the premises of the other Party and, within a reasonable time, remove such equipment, apparatus, devices, or facilities at no cost to the owner of the premises. If, upon the termination of any Point of Interconnection under this Agreement, equipment of a Party that is installed on the premises of the other Party is either not sold to the other Party or removed by the owning Party within a reasonable time, it will be considered abandoned by the owning Party and may be disposed of by the other Party in the manner it will determine appropriate; provided, however, that any net cost incurred by the disposing Party will be reimbursed by the abandoning Party.
- 6.4. Each Party will clearly mark their respective equipment, apparatus, devices, or facilities that are placed or installed on the other Party's premises with appropriate ownership identification.
- 6.5. A Party may request another Party to upgrade or modify the requested Party's terminal facilities at a Point of Interconnection. Any upgrades or modifications will be made within a reasonable period of time when, i) transmission planning studies demonstrate that the termination equipment may limit the transfer capability of the transmission system, and/or ii) the termination equipment is not in accordance with the ERCOT Requirements or SPP Requirements on system protection relaying. In the cases where the ERCOT Requirements or SPP

Requirements are silent, the requesting Party may propose upgrades or modifications based on its own standards and the requested Party will not unreasonably deny such upgrades or modifications, but to the extent costs associated with such upgrades or modifications are specifically disallowed in a rate proceeding, the Party that requested the upgrades or modifications will reimburse the other Party for any disallowed costs.

7. METERING AND RECORDS

- 7.1. All metering equipment required herein will be selected, installed, tested, operated, and maintained by the Party owning such metering equipment in accordance with Good Utility Practice, applicable operating, and metering guidelines, and the applicable ERCOT Requirements or SPP Requirements.
- 7.2. The Party that does not own the metering equipment will be permitted to witness any testing, inspection, maintenance, or alteration of such metering equipment owned by the other Party. The owner of such equipment will give reasonable advance notice of all tests and inspections so that representatives of the other Parties may be present. After proper notification to the other Parties, the owner may proceed with the scheduled tests or inspections regardless of whether a witness is present.
- 7.3. If any test or inspection of metering equipment shows that it does not meet the accuracy requirements established by ERCOT or SPP operating or metering guidelines, whichever is applicable, the meter or other equipment found to be inaccurate or defective will be promptly repaired, adjusted, or replaced by the owner. Should metering equipment fail to register, the power and energy delivered and received will be determined in accordance with ERCOT or SPP operating or metering guidelines, whichever is applicable.
- 7.4. As long as metering, telemetering, or communications facilities are required by the ERCOT Requirements or SPP Requirements and are operated and maintained in accordance with such requirements, the Party owning these facilities will allow the other Parties to read the meter by means of the existing telemetering and communications facilities. The other Parties will be responsible for any incremental costs incurred by the owning Party to provide any meter reading capability over and above that which is required by the owning Party.
- 7.5. In the event that metering, telemetering, or communications facilities are no longer required by the ERCOT Requirements or SPP Requirements and the Party owning these facilities does not wish to continue to operate and maintain these facilities, the owning Party may remove these facilities three (3) months after it has notified in writing the other Parties of its plans. If these facilities that are no

longer required by the ERCOT Requirements or SPP Requirements fail to operate accurately and/or the owning Party does not wish to maintain these facilities, the other Parties will be allowed to purchase at net book value, replace, own, operate, and maintain these facilities at its cost.

8. COMMUNICATION AND TELEMETERING FACILITIES

- 8.1 Unless specified otherwise in another written agreement among the Parties, each Party will provide, at its own expense, the necessary communication, and telemetering facilities it needs for the control and operation of its transmission and Distribution Facilities that are the subject of this Agreement.
- 8.2 All communication and telemetering facilities required herein will be selected, installed, tested, and maintained by the Party owning such equipment in accordance with Good Utility Practice, applicable ERCOT or SPP operating and metering guidelines, and applicable ERCOT Requirements or SPP Requirements.

9. INDEMNIFICATION

- 9.1. “Losses” means i) demands, claims, actions, suits, investigations, and legal or other proceedings brought against an Indemnified Party by an unrelated third Party, and any judgments or assessments, fines, or penalties rendered therein or any settlements thereof, and ii) all liabilities, damages, losses, judgments, penalties, taxes, assessments, costs, and expenses incurred or suffered by a Party hereto including reasonable attorney’s fees (other than those computed on a contingency fee basis), court costs, and other documented out-of-pocket litigation expenses reasonably incurred by any Indemnified Party or Parties), to the extent not reimbursed or paid for by insurance. However, “Losses” excludes any special, incidental, indirect, punitive, exemplary, or consequential damages (including but not limited to damages for loss of use of equipment, lost business opportunities or profits, or damage to reputation) whether arising in connection with or resulting from a breach of or default under this Agreement or arising in connection with or resulting from the design, materials, workmanship, condition, operation, use, performance, repair, or maintenance of a Party’s facilities, whether or not the defaulting Party has been advised of the possibility of such loss or damage, except to the extent payments on account of or relating to such loss or damage are made to a third Party. In all cases in which a Person is entitled to be indemnified in accordance with this Agreement, such Indemnified Party will be under a duty to take all commercially reasonable measures to mitigate all Losses

- 9.2. IT IS THE SPECIFIC AND EXPRESS INTENT AND THE AGREEMENT OF THE PARTIES THAT TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY WILL INDEMNIFY, DEFEND, SAVE, AND HOLD HARMLESS THE OTHER PARTIES, AND THEIR SUCCESSORS, PERMITTED ASSIGNS, CORPORATE AFFILIATES, AND THEIR RESPECTIVE SHAREHOLDERS, MEMBERS, PARTNERS (GENERAL AND LIMITED), OFFICERS, DIRECTORS, MANAGERS, TRUSTEES, EMPLOYEES, AGENTS, ATTORNEYS, CONSULTANTS, SERVANTS AND REPRESENTATIVES (EACH AN "INDEMNIFIED PARTY") FROM ANY AND ALL LOSSES ASSERTED AGAINST, RESULTING TO, IMPOSED UPON OR INCURRED BY THE INDEMNIFIED PARTY DIRECTLY OR INDIRECTLY, AS A RESULT OF 1) A CLAIM MADE BY A THIRD PARTY TO THE EXTENT ARISING OF THIS AGREEMENT OR THE ACTIVITIES OF THE PARTIES HEREUNDER AND RESULTING FROM OR ATTRIBUTABLE TO THE GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT OF THE PARTY FROM WHOM INDEMNITY IS SOUGHT (THE "INDEMNIFYING PARTY") OR ITS CORPORATE AFFILIATES OR ANY OF ITS OR THEIR RESPECTIVE OFFICERS, DIRECTORS, MANAGERS, TRUSTEES, EMPLOYEES, AGENTS, ATTORNEYS, CONSULTANTS, SERVANTS AND REPRESENTATIVES OR 2) A CLAIM BY ANY EMPLOYEE OF THE OTHER PARTY OR ANY OF ITS CORPORATE AFFILIATES (OR BY A CLAIMANT FOR THE WRONGFUL DEATH OF SUCH AN EMPLOYEE) IF SUCH CLAIM OR THE RECOVERY OF DAMAGES BY SUCH PERSON WAS OR WOULD BE LIMITED OR BARRED BY THE APPLICABLE WORKERS' COMPENSATION LAWS (WHETHER OR NOT A WORKERS' COMPENSATION CLAIM IS MADE BY SUCH PERSON AGAINST THE PERSON'S EMPLOYER OR ITS CORPORATE AFFILIATE).
- 9.3. Any Indemnified Party will give the appropriate Indemnifying Party prompt written notice of any third Party claim which may give rise to any indemnity obligation under this Article 9, together with the estimated amount of such claim, and the Indemnifying Party will have the right to assume the defense of any such claim through counsel of its own choosing (reasonably satisfactory to the Indemnified Party), by so notifying such Indemnified Party within sixty (60) days of receipt of written notice under this Section 9.3. Failure to give prompt notice will not affect the indemnification obligations hereunder in the absence of actual prejudice. If any Indemnified Party desires to participate in any such defense assumed by the Indemnifying Party, it may do so at its sole cost and expense but the Indemnifying Party will retain control of any assumed defense. The Indemnified Party and its Corporate Affiliates will fully cooperate with (and cause it directors, managers, officers, employees, and representatives to fully cooperate with) the Indemnifying Party in the defense of any such claim.

- 9.4. No Indemnifying Party will, without the prior written consent of the Indemnified Party (which will not be unreasonably withheld), settle, compromise, or offer to settle or compromise any claim or demand on a basis which would result in the imposition of a consent order, injunction, or decree which would restrict the future activity or conduct of the Indemnified Party or any Corporate Affiliate thereof or if such settlement or compromise does not include an unconditional release of the Indemnified Party for any liability arising out of such claim or demand.
- 9.5. Assumption of the defense of any matter by the Indemnifying Party shall not constitute a waiver by such Indemnifying Party of its right to claim at a later date that such third party claim for which the defense was assumed is not a proper matter for indemnification pursuant to this Article 9; provided, however, that if the Indemnifying Party at any time determines that such claim is not a proper matter for indemnification pursuant to this Article 9, such Indemnifying Party shall i) immediately notify the Indemnified Party, ii) turn over defense of the indemnified claim and all relevant documents and information to the Indemnified Party and iii) reasonably cooperate in the transition of such defense to the Indemnified Party, in each case if so requested by the Indemnified Party.
- 9.6. Subrogation. In the event that an Indemnifying Party pays all or any portion of a third party claim or demand concerning which the Indemnified Party submits a claim for indemnification pursuant to this Article 9, the Indemnifying Party will be subrogated to any and all defenses, claims, or other matters which the Indemnified Party asserted or could have asserted against the third party making such claim or demand, and all related cross-claims which the Indemnified Party asserted or could have asserted against other Persons. The Indemnified Party will execute and deliver to the Indemnifying Party (at the Indemnifying Party's expense) such documents as may be reasonably necessary to establish by way of subrogation the ability of the Indemnifying Party to assert such defenses, claims, cross-claims, or other matters.
- 9.7. Survival of Indemnification Obligations. The provisions of this Article 9 will survive a termination of this Agreement.

- 9.8. Notwithstanding Section 9.2, to the extent that any claim relates to or arises from any act, omission, event, or circumstance in the performance by American Electric Power Service Corporation or one of its Corporate Affiliates under that certain Services Agreement between ETT and American Electric Power Service Corporation, a New York corporation, dated as of December 21, 2007 (the "Services Agreement"), the Parties' obligations to indemnify each other under this Article 9 will be governed by the indemnification obligations set forth in Article 12 of the Services Agreement and the limitations of liability set forth in Article 11 of the Services Agreement in lieu of their obligations to indemnify each other under Section 9.2 of this Agreement.

10. LIMITATION OF LIABILITY; SEVERAL LIABILITY

- 10.1 Except for claims of fraud or to extent expressly provided herein, no Party will be liable to another Party for any special, incidental, indirect, punitive, exemplary, or consequential damages (including but not limited to damages for loss of use of equipment, lost business opportunities or profits, or damage to reputation), even if the defaulting Party was aware of the possibility of such damages, regardless of the theory of liability under which such damages are sought.
- 10.2 The obligations of the Parties hereunder are several and not joint.

11. FORCE MAJEURE

- 11.1 Excuse for Force Majeure Event. If, because of a Force Majeure Event, a Party is rendered wholly or partly unable to perform its obligations under this Agreement (other than any obligation to pay money), that Party will be excused from whatever performance is affected by the Force Majeure Event (other than any obligation to pay money) to the extent affected provided that:
- 11.2 The non-performing Party oversees any interruption in its activities resulting from the Force Majeure Event in accordance with Good Utility Practice (to the extent practicable in light of the Force Majeure Event);
- 11.3 The non-performing Party, within ten (10) days after the occurrence of the Force Majeure Event, gives the other Parties written notice describing the particulars of the occurrence;
- 11.4 The suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
- 11.5 The non-performing Party uses its reasonable efforts to remedy its inability to perform (provided, however, that no Party will be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest, it being understood

that the settlement of strikes, walkouts, lockouts or other labor disputes will be at the sole discretion of the Party having the difficulty); and

- 11.6 When the non-performing Party is able to resume performance of its obligations under this Agreement that Party will give the other Parties written notice to that effect.

12. SUCCESSORS AND ASSIGNS

- 12.1 Subject to the provisions of Section 12.2 below, this Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the respective Parties.
- 12.2 No Party shall assign its interest in this Agreement in whole or in part without the prior written consent of the other Parties. Such consent shall not be unreasonably withheld, provided that no Party will be required to consent to any assignment which would, in its sole judgment and among other reasons, subject it to additional federal or state regulation, result in the imposition of additional costs of administration which the Party requesting consent to assignment does not agree to reimburse, or in any way diminish the reliability of its system, enlarge its obligations or otherwise create or maintain an unacceptable condition. The respective obligations of the Parties under this Agreement may not be changed, modified, amended, or enlarged, in whole or in part, by reason of the sale, merger, or other business combination of a Party with any other person or entity. Notwithstanding the foregoing, a Party may assign, without the consent of the other Parties, its interest in this Agreement, in whole or in part, to a successor to all or a substantial portion of the Party's transmission business; to any affiliate of the assigning Party; to any transmission service provider with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; or for collateral security purposes in connection with any financing or financial arrangements.
- 12.3 The several provisions of this Agreement are not intended to and shall not create rights of any character whatsoever in favor of any persons, corporations, or associations other than the Parties to this Agreement, and the obligations herein assumed are solely for the use and benefit of the Parties to this Agreement.

13. GOVERNING LAW AND REGULATION

- 13.1. This Agreement shall be governed by, interpreted, construed, and enforced in accordance with the laws of the State of Texas except as to matters exclusively controlled by the Constitution and statutes of the United States of America. This Agreement is subject to all valid applicable federal, state, and local laws, ordinances, rules, and regulations of duly constituted regulatory authorities having jurisdiction.
- 13.2. After execution by all Parties, TNC and PSO will file this Agreement with FERC with copies of such filing provided to the PUCT and OCC.
- 13.3. This Agreement, and all obligations hereunder, are expressly conditioned upon obtaining approval, authorization, or acceptance for filing by any regulatory body, whose approval, authorization, or acceptance for filing is required by law. All 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 a Party in the course of approval proceedings.
- 13.4. In the event that a regulatory authority having jurisdiction over the Parties orders a material change in the terms of this Agreement or there is another material change in Applicable Law affecting the performance, rights, or obligations of the Parties hereunder, the affected Party will be excused from the performance of that duty or obligation, and the Parties agree to negotiate in good faith a replacement term that will most nearly accomplish the purpose and intent of the original term consistent with the regulatory order. No Party will have an obligation to agree to any amendment that would materially change the risks and benefits (including after-tax benefits) of this Agreement to that Party or change the accounting treatment that is applied by that Party to transactions under this Agreement. If the Parties cannot reach an agreement over the new term and if the old term is an essential provision of this Agreement, a Party may elect to terminate this Agreement, by providing notice of such election to the other upon sixty (60) days prior written notice to the other Parties. An election to terminate under this provision will not affect a Party's duty to perform prior to the effective date of termination.

14. DISPUTE RESOLUTION

Except to the extent that a dispute is subject to the dispute resolution procedures in the PUCT's Subst. R. 25.203, in the event that the Parties are unable to resolve any dispute under this Agreement within sixty (60) days, the President of MidAmerican Energy

Holdings Company and the President-AEP Utilities of American Electric Power Service Corporation shall meet to attempt to resolve any such dispute in good faith.

15. JOINT OPERATING COMMITTEE

The Parties may establish and maintain a Joint Operating Committee to coordinate operating and technical considerations of this Agreement upon the request of a Party. Each Party shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary to carry out its duties. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this Agreement. Each Party shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall be to address all interconnection matters not addressed by requirements promulgated by the PUCT, OCC, ERCOT, and SPP.

16. GENERAL PROVISIONS

16.1. Confidentiality.

- 16.1.1. A Party's "Confidential Information" collectively includes any proprietary information or knowledge possessed by that Party which is confidential and commercially valuable, whether or not it constitutes a trade secret under applicable law, including without limitation: all facility records and metering data.
- 16.1.2. Each Party agrees that it will hold in strict confidence and will not disclose or use except in connection with the performance of this Agreement any Confidential Information belonging to the other Parties hereto for the period ending three (3) years after termination of this Agreement; provided, however, that the Parties will disclose Confidential Information to the extent such disclosure is necessary or convenient as part of any regulatory proceeding in which a Party or its PURA Affiliates are a Party subject to a protective order or such other remedy as the disclosing Person may consider appropriate in the circumstances; and further provided, that each Party will provide such Confidential Information only to its respective officers, employees, Corporate Affiliates, PURA Affiliates, agents, lenders, attorneys, and other advisors

(collectively “Representatives”) for purposes of pursuing the business of the Party and meeting its obligations and exercising its rights hereunder, provided that the Representatives shall be informed of the confidentiality obligations provided herein. Each Party agrees to be responsible for any breach of the confidentiality obligations under this Agreement by its Representatives.

16.1.3. Notwithstanding anything to the contrary in this Section 16.1, Confidential Information will not include information that: (a) has become part of the public domain other than by acts or omissions of the recipient or its Representatives, (b) to the recipient’s knowledge has been furnished or made known to the recipient by third Persons (other than those acting on behalf of the disclosing Party) as a matter of legal right and without restriction on disclosure or use, (c) was in the recipient’s possession prior to disclosure by the disclosing Party and was not previously acquired by the recipient or its Representatives directly or indirectly from the disclosing Party, (d) is independently developed by Representatives of the recipient without access to Confidential Information, (e) is required to be disclosed by stock exchange requirements, (f) is necessary or otherwise reasonably deemed appropriate in connection with any dispute resolution commenced pursuant to this Agreement or any litigation commenced in respect of this Agreement, (g) is disclosed to an entity whose primary business is the issuance of credit ratings, provided the information is disclosed pursuant to a confidentiality agreement (which agreement shall be no less restrictive than the recipient’s obligations under this Agreement) and is disclosed solely for the purpose of developing a credit rating and the entity’s ratings are publicly available or (h) is disclosed to a prospective purchaser of an interest in the Party, provided the information is disclosed pursuant to a confidentiality agreement (which agreement shall be no less restrictive than the recipient’s obligations under this Agreement) and is disclosed on a need to know basis.

16.1.4. Under circumstances other than those provided in Section 16.1.2, if any Party to whom Confidential Information is transmitted is required pursuant to Applicable Law or otherwise becomes legally compelled to disclose any of the Confidential Information or the fact that the Confidential Information has been made available to the recipient, such Party will (unless prohibited by law from doing so) promptly advise the disclosing Party in order that the disclosing Party may seek a protective order or such other remedy as the disclosing Party may consider appropriate in the circumstances. In any event, the compelled Party may disclose only that portion of the Confidential Information, which such Party is legally required to disclose in the judgment of the Party’s legal

counsel without any liability to the compelled Party hereunder, and such disclosure shall not be a breach of this Section 16.

The provisions of this Section 16.1 will survive a termination of this Agreement.

16.2. Notice Provisions.

Any notice required or permitted under this Agreement may be given by personal delivery to the Party entitled thereto, by facsimile transmission, by any courier service which guarantees overnight, receipted delivery, or by U.S. Certified or Registered Mail, return receipt requested, addressed to the Party entitled thereto, at:

If to TNC:	Robert L. Pennybaker Manager, Transmission and Interconnection Services American Electric Power Service Corporation 212 E. 6 th St P.O. Box 201 Tulsa, Oklahoma 74102 Telephone: (918) 599-2723 Fax: (918) 599-3003
with a copy to:	Jeffrey D. Cross Deputy General Counsel American Electric Power Service Corporation 1 Riverside Plaza Columbus, Ohio 43215 Telephone: (614) 716-1580 Fax: (614) 716-3440
If to ETT:	J. Calvin Crowder President 400 W. 15 th Street, Suite 800 Austin , TX 78701-1677 Telephone: (512) 391-6300 Fax: (886) 947-1063

with a copy to:	<p>Barry R. Smith Manager, Regulatory Services 400 W. 15th Street, Suite 800 Austin , TX 78701-1677 Telephone: (512) 391-6340 Fax: (512) 391-6391</p>
with a copy to:	<p>William J. Fehrman If for delivery by FEDEX or other express delivery: 666 Grand Ave., Suite 500 Des Moines, Iowa 50306-0657</p> <p>or if delivery by United States Postal Service: MidAmerican Energy Holdings Company PO Box 657 Des Moines, IA 50306-0657 Telephone No.: 515-281-2902 Facsimile No.: 515-281-2959</p>
with a copy to:	<p>Steven R. Weiss If for delivery by FEDEX or other express delivery: MidAmerican Energy Holdings Company 666 Grand Ave., Suite 500 Des Moines, Iowa 50306-0657</p> <p>or if delivery by United States Postal Service: MidAmerican energy Holdings Company PO Box 657 Des Moines, IA 50306-0657 Telephone: 515-281-2644 FAX.: 515-242-4398</p>
If to PSO:	<p>Robert L. Pennybaker Manager, Transmission and Interconnection Services American Electric Power Service Corporation 212 E. 6th St P.O. Box 201 Tulsa, Oklahoma 74102 Telephone: (918) 599-2723 Fax: (918) 599-3003</p>

with a copy to:	Jeffrey D. Cross Deputy General Counsel American Electric Power Service Corporation 1 Riverside Plaza Columbus, Ohio 43215 Telephone: (614) 716-1580 Fax: (614) 716-3440
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Any notices will be sent to the address or facsimile number when permitted as specified in this Agreement or to such other address or facsimile number for a Party as it may specify in writing to the other Parties from time to time. Any notice properly given to the proper address will be deemed to have been given when dispatched.

The provisions of this Section 16.2 will survive a termination of this Agreement.

16.3. Further Acts.

In addition to the acts recited in this Agreement to be performed by the Parties hereto, each Party agrees to execute and deliver such additional agreements and documents and take such additional actions as are consistent with the provisions of this Agreement and may be reasonably necessary or appropriate in connection with the transactions contemplated hereby, as reasonably requested by another Party hereto.

16.4. Amendment.

No amendment to this Agreement will be valid or binding unless and until reduced to writing and executed by each Party's authorized representative.

16.5. Merger and Integration; Binding on Successors; No Third Party Beneficiaries.

This Agreement sets out the entire understanding of the Parties with respect to the matters it purports to cover and supersedes all prior communications, agreements, and understandings, whether written or oral, concerning such matters. No Party will be liable or bound to any Party in any manner by any warranties, representations, or covenants other than those set forth in this Agreement. The terms and conditions of this Agreement will inure to the benefit of and be binding upon the respective successors and permitted assigns of the Parties. Nothing in this Agreement, express or implied, is intended to confer upon any third Party any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

The provisions of this Section 16.5 will survive a termination of this Agreement.

16.6. Survival.

Any provision specifically designated in this Agreement to survive the termination hereof and (unless otherwise expressly provided) any other provision which, by its nature, necessarily may become performable by a Party after termination of this Agreement will survive termination of this Agreement.

16.7. Forbearance and Waiver.

Except where a specific time period is provided hereunder for the exercise of a right or remedy, any Party's forbearance in the exercise or enforcement of any right or remedy under this Agreement will not constitute a waiver thereof, and a waiver under one circumstance will not constitute a waiver under any other circumstance.

The provisions of this Section 16.7 will survive a termination of this Agreement.

16.8. Partial Invalidity.

Any invalidity, illegality, or unenforceability of any provision of this Agreement in any jurisdiction will not invalidate or render illegal or unenforceable the remaining provisions hereof in such jurisdiction and will not invalidate or render illegal or unenforceable such provision in any other jurisdiction.

16.9. Venue; Waiver of Right to Jury Trial.

The Parties agree and consent to the jurisdiction and venue of any state or federal court sitting in Travis County, Texas. To the fullest extent permitted by law, and as separately bargained-for consideration, each Party hereby waives any right to trial by jury in any action, suit, proceeding, or counterclaim of any kind arising out of or relating to this Agreement.

16.10. Construction.

This Agreement was prepared jointly by the Parties, and no rule that it be construed against the drafter will have any application in its construction or interpretation.

16.11. Multiple Counterparts.

This Agreement may be executed by the Parties in multiple original counterparts, and each such counterpart will constitute an original hereof.

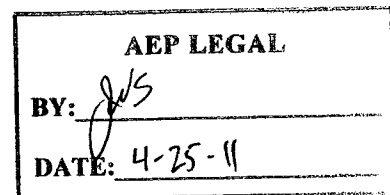
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The next page of this document is the Signature Page]**

Executed on the dates below to be effective as provided above:

AEP TEXAS NORTH COMPANY

By: [Signature]
Name: Michael Heyeck
Title: Vice President

Date: 5/11/2011



PUBLIC SERVICE COMPANY OF OKLAHOMA

By: [Signature]
Name: Michael Heyeck
Title: Vice President

Date: 5/11/2011

ELECTRIC TRANSMISSION TEXAS, LLC

By: [Signature]
Name: J. Calvin Crowder
Title: President

Date: 4-28-11

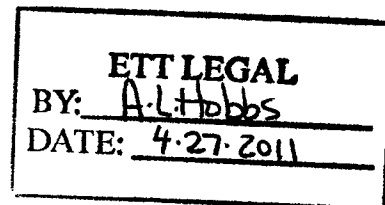


EXHIBIT 1.1

Definitions

Terms defined in this Exhibit 1.1 will have the meanings set forth in this Exhibit.

TERM	DEFINITION
1. Agreement	As defined in the first paragraph hereof..
2. Applicable Law	Any statute, law, ordinance, executive order, rule, or regulation (including a regulation that has been formally promulgated in a rule making proceeding but, pending final adoption, is in proposed or temporary form having force of law); guideline or notice having force of law; or approval, permit, license, franchise, judgment, order, decree, injunction, or writ of any Governmental Authority applicable to a specified Person or specified property, as in effect from time to time.
3. Confidential Information	As defined in Section 16.1.1.
4. Corporate Affiliate	A "Corporate Affiliate" of a Person is any Person directly or indirectly controlling, controlled by, or under common control with the first such Person. For the purposes of this definition, "control," when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities or other management rights, by contract, or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.
5. Distribution Facilities	i) facilities and equipment with an operating voltage below 60kV, ii) all facilities and equipment functioning exclusively as protective, metering, or control devices for facilities and equipment with an operating voltage below 60kV, and iii) facilities and equipment functioning exclusively in support of the operation or maintenance of facilities and equipment with an operating voltage below 60kV.
6. ERCOT	As defined in Recital B.

7. ERCOT Requirements Documents adopted by ERCOT, and approved by the PUCT, including ERCOT Protocols, operating guidelines and any attachments or exhibits referenced in the ERCOT Protocols, as amended from time to time, that contain the scheduling, operating, planning, reliability, and settlement policies (including customer registration), rules, guidelines, procedures, standards, and criteria of ERCOT.
8. ETT As defined in the first paragraph hereof
9. Facility Schedule(s) Addendum(s) to this Agreement that describe the agreement on ownership, control, operation, and maintenance responsibilities of the Parties at the Point(s) of Interconnection and any additional terms and conditions of this Agreement that apply specifically to the Point(s) of Interconnection.
10. FERC As defined in Section 2.1.
11. Force Majeure Event An event reasonably beyond the control of the Party affected, which with the exercise of reasonable diligence could not reasonably be prevented, avoided or removed by such affected Party, which causes such Party to be delayed in performance of, or unable to perform, its obligations under this Agreement (other than any obligation for the payment of money). Such causes may include, to the extent they meet the foregoing criteria, condemnation; expropriation; invasion; plague; drought; landslide, hurricane, flood; lightning; tornado; storm, earthquake; fire; explosion; epidemic; quarantine; war (declared or undeclared), terrorism or other armed conflict; material physical damage to a Party's facilities caused by third parties; inability of a Party to gain access to real property as necessary to perform this Agreement (except to the extent that the failure to gain access is the result of the acts or omission of the Party seeking access or its Corporate Affiliates), riot or similar civil disturbance or commotion; other acts of God; acts of the public enemy; blockade; insurrection, riot or revolution; sabotage or vandalism; embargoes; a change in law as described in Section 13.4; actions of a Governmental Authority (other than in respect of Party's compliance with Applicable Laws and permits required in connection with Party's performance under this Agreement); and national and general labor strikes or work stoppages. Force Majeure shall

also include failure of subcontractors of a Party to perform in a timely manner due to Force Majeure affecting such subcontractors and provided that reasonable attempts are made to obtain such performance at commercially reasonable rates.

12. Good Utility Practice Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather is intended to include acceptable practices, methods, or acts generally accepted in the region.
13. Governmental Authority Any federal, state, foreign, tribal, local, or municipal governmental body; and any governmental, regulatory, or administrative agency, commission, body, agency, instrumentality, or other authority exercising or entitled to exercise any executive, judicial, legislative, administrative, regulatory, or taxing authority or power, including any court or other tribunal.
14. Indemnified Party As defined in Section 9.2.
15. Indemnifying Party As defined in Section 9.2.
16. Losses As defined in Section 9.1.
17. O &M Service Provider The "Service Provider" as defined in the Services Agreement.
18. OCC As defined in Recital C.
19. Person Any individual, corporation, partnership, limited liability company, other business organization of any kind, association, trust, or governmental entity, agency, or instrumentality.
20. Point(s) of The points of interconnection established under this

	Interconnection	Agreement, and future points of interconnection that may be established under this Agreement, at which the electrical systems of the Parties are or may be i) connected by the closure of normally open switches and ii) metering points of delivery on a Party's system.
21.	PSO	As defined in the first paragraph hereof
22.	PUCT	As defined in Recital B.
23.	PURA	The Public Utility Regulatory Act in the Texas Utilities Code.
24.	PURA Affiliate	As defined in Sections 11.003(2) and 11.006 of PURA.
25.	Representative	As defined in Section 16.1.2
26.	Services Agreement	As defined in Section 9.8.
27.	Shared Facilities	Perimeter entry gates; fire control equipment; HVAC; direct current batteries and charger; alternating current station service transformer; alternating current station service breaker panel; instrument transformers; ground grid; foundations; cable tray, trench or raceway or conduit bank; lighting; lightning rods and statics; spill prevention and retention facilities.
28.	SPP	As defined in Recital C.
29.	SPP Requirements	Documents adopted by SPP, as amended from time to time, that contain the scheduling, operating, planning, reliability, and settlement policies (including customer registration), rules, guidelines, procedures, standards, and criteria of SPP.
30.	TNC	As defined in the first paragraph hereof.
31.	Telecommunication Facilities	The following facilities located in a substation or on a transmission line: i) fiber system facilities: optical ground wire cable, entrance fiber cable, fiber distribution panels, and other associated fiber strand terminating equipment, and components that complete a fiber circuit inside a substation; ii) substation MUX system facilities: multiplex and associated interface equipment used for line protection relaying, station telephone, supervisory control, and circuit monitoring; iii) telecom MUX system facilities: multiplex

and associated interface equipment used to terminate or regenerate circuits associated with non-relaying (power system protective) circuits for communication to support operations and general business communications; iv) broadband power line system facilities: equipment to enable signal transmission and processing by means of broadband-over-power line technology; v) wireless system facilities: multiple address systems equipment, microwave equipment, mobile radio equipment, Wi-Fi equipment, and other wireless communication equipment, and associated antenna support equipment; and vi) transmission remote terminal unit facilities: remote telemetry units used to manage the operation and control of substations and transmission lines.

SCHEDULE 3.1

FACILITY SCHEDULE NO.	LOCATION OF POINT(S) OF INTERCONNECTION (# of Points)	INTERCONNECTION VOLTAGE (KV)	EFFECTIVE DATE IN THIS AGREEMENT OR SUBSEQUENT AMENDMENT TO THIS AGREEMENT*
1	Oklahoma HVDC Substation (1)	345	March 29, 2010

* These dates do not necessarily reflect the date that the Point of Interconnection was established or terminated.

FACILITY SCHEDULE NO. 1

1. Name: **Oklaunion HVDC Substation**
2. Facility Location: The Oklaunion HVDC Substation (“Substation”) is located at 12567 FM Rd. 3430, approximately 5 miles southeast of the City of Vernon, Wilbarger County, Texas. The Point of Interconnection is where the 345 kV conductors from switch #5598 connect to the dead-end structure inside the Oklaunion South substation.
3. Delivery Voltage: 345 kV
4. Normal Operation of Interconnection: Closed
5. One-Line Diagram Attached: Yes
6. Facility Ownership Responsibilities of the Parties:

ETT owns the following facilities:

- all transmission facilities within the Oklaunion South substation, other than Telecommunication Facilities (except for two (2) RTUs for ERCOT settlement metering and station control, including such RTU’s dedicated IP switch and router equipment), between i) the Oklaunion South substation dead-end structures to which are attached the 138kV transmission lines to the Southwest Vernon substation and Vernon Main substation, 138kV tie-line to the Oklaunion Power Plant reserve auxiliary transformers, the 345kV transmission line to the Fisher Road substation, the 345kV tie-line to the Oklaunion Power Plant, the 345kV transmission line to the Mulberry Red Creek substation, and the 345kV transmission line to the Substation and ii) the transmission side bushings of circuit switcher #5607. ETT owns the dead-end structures referenced in i) of the excluding the bushings
- all protective, metering, or control facilities and equipment in the Oklaunion South substation not functioning exclusively as protective, metering, or control devices for, or in support of the operation or maintenance of Distribution Facilities
- certain footprint facilities within the ground grid boundary of the Oklaunion South substation

PSO and TNC own an undivided ownership of 87.5% and 12.5% respectively in the following facilities:

- the Substation, which is further described in the “Oklaunion HVDC Project Construction, Ownership and Operating Agreement” between PSO, TNC and American Electric Power Service Corporation (as successor to Central and South West Services, Inc.) dated September 14, 1988, including switch #5598 and the conductors from the switch to the Oklaunion South substation dead-end structure

TNC owns the following facilities:

- all Distribution Facilities within the Oklaunion South substation including the distribution transformer and all facilities and equipment functioning exclusively as protective, metering, or control devices for, or in support of the operation or maintenance of Distribution Facilities
- the Substation property and the Oklaunion South substation property, including perimeter fencing, as well as control house structure within the Oklaunion South substation
- the 138 kV facilities between circuit switcher #5607 and the Distribution Facilities, including circuit switcher #5607
- all Telecommunication Facilities in the Oklaunion South substation except the two (2) RTUs referenced above
- one (1) wireless remote communication device
- certain footprint facilities within the ground grid boundary of the Oklaunion South substation

PSO owns the following facilities:

- the 345 kV Oklaunion North substation including all the facilities within it

7. Operational Responsibilities of Each Party:

- ETT is responsible for the operation of its facilities. Per the Services Agreement, American Electric Power Service Corporation or its affiliates coordinate, direct, and perform all control center and field operation activities on the facilities owned by ETT. These activities shall include, but are not limited to, switching, clearances, and outages for planned maintenance and operations, emergency service restoration, and overall coordination of such activities with ERCOT.
- PSO and TNC are responsible for the operation and control of the Substation
- TNC operates and controls the facilities it owns except for those facilities at the Substation that are operated and controlled by PSO.

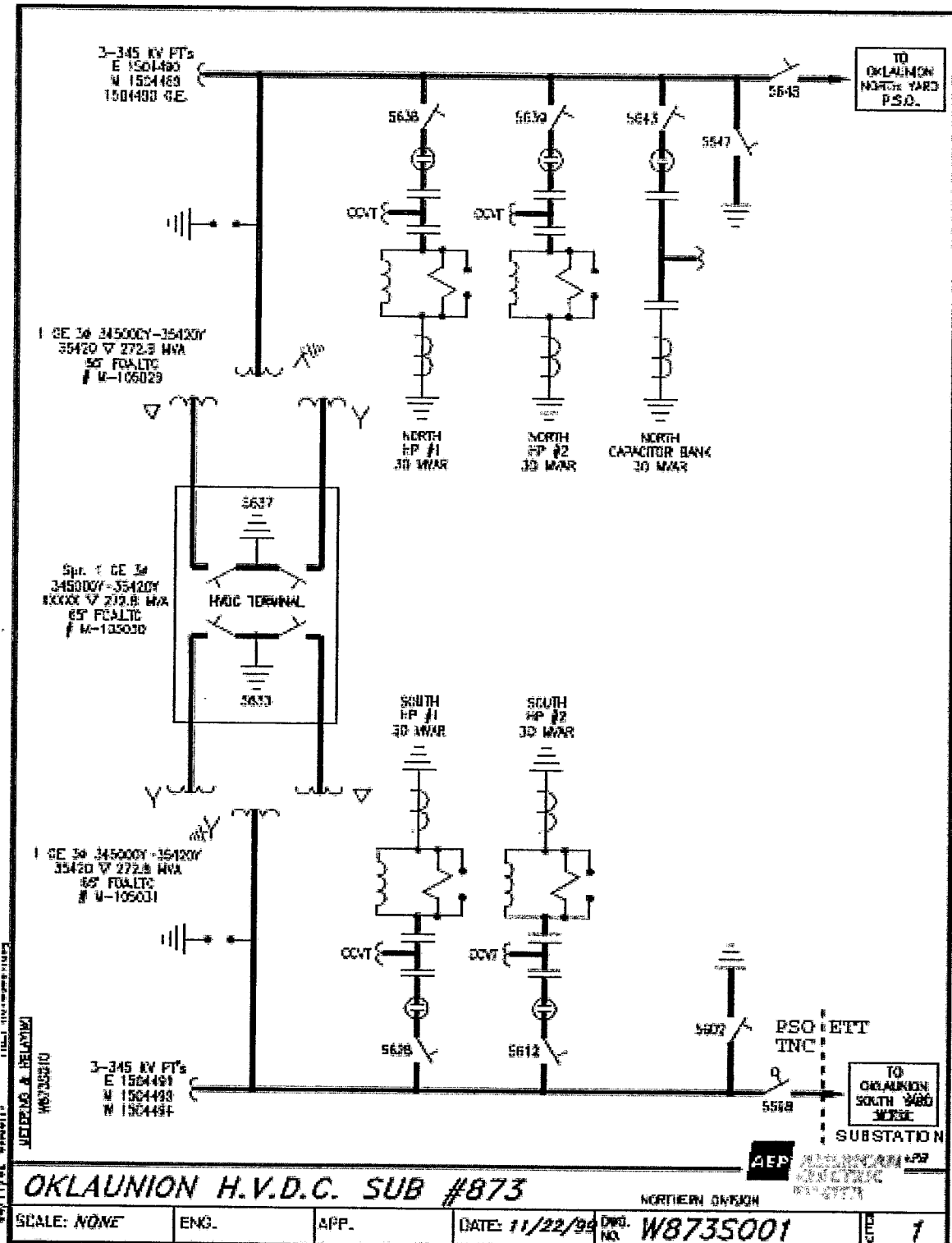
8. Maintenance Responsibilities of Each Party:

- Each Party is responsible for maintenance of the facilities it owns that are provided for in this Facility Schedule.

9. Cost Responsibilities of the Parties:

- Each Party will be fully responsible for the costs and liabilities related to the facilities it owns.

10. Other Terms and Conditions: None



COPY

**AMENDMENT NO. 1 TO THE
TNC-ETT AMENDED AND RESTATED
INTERCONNECTION AGREEMENT**

This Amendment No. 1 to the TNC-ETT Amended and Restated Interconnection Agreement (this "Amendment") is made by and between Electric Transmission Texas, LLC ("ETT") and AEP Texas North Company ("AEP") to be effective as of the Effective Date (as defined below). ETT and AEP each sometimes hereinafter referred to individually as "Party" or both referred to collectively as "Parties."

WITNESSETH

WHEREAS, ETT and AEP are parties to that certain Amended and Restated Interconnection Agreement dated as of March 29, 2010 (the "Interconnection Agreement");

WHEREAS, Facility Schedule No. 32 of the Interconnection Agreement addressed a Point of Interconnection to the Oklaunion HVDC Substation, which is jointly, owned by AEP and AEP Public Service Company of Oklahoma ("PSO");

WHEREAS, AEP, ETT and PSO are contemporaneously entering into an interconnection agreement to address the Oklaunion HVDC Substation Point of Interconnection; and

WHEREAS, the Parties desire to amend Facility Schedule No. 32 to reflect that the Oklaunion HVDC Substation Point of Interconnection is addressed in a separate interconnection agreement.

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

I. CAPITALIZED TERMS

Capitalized terms used but not otherwise defined herein shall have the meanings specified in the Interconnection Agreement, as amended and supplemented by this Amendment.

II. ADDITIONS AND AMENDMENTS

This Amendment shall be effective as of March 29, 2010, or such other date as the FERC may authorize (the "Effective Date"). Effective as of the Effective Date, a) Facility Schedule No. 32 is hereby amended and superseded by the revised Facility Schedule No. 32 attached

hereto and b) Schedule 3.1 of the Interconnection Agreement is hereby amended and superseded by the revised Schedule 3.1 attached hereto.

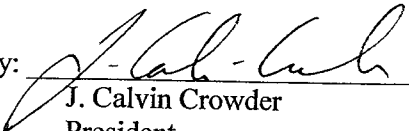
III. RATIFICATION OF OTHER TERMS

All other terms and conditions of the Interconnection Agreement, which are not specifically amended by this Amendment, shall remain unchanged, and are hereby ratified by the Parties, and shall continue to be in full force and effect.

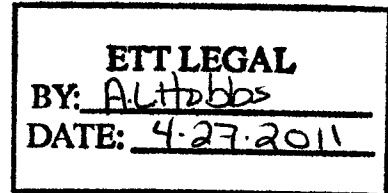
[Signatures are on next page]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed on the dates set forth below in two (2) counterparts, each of which shall be deemed an original but both shall constitute one and the same instrument.

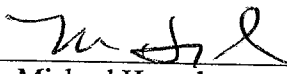
ELECTRIC TRANSMISSION TEXAS, LLC

By: 
J. Calvin Crowder
President

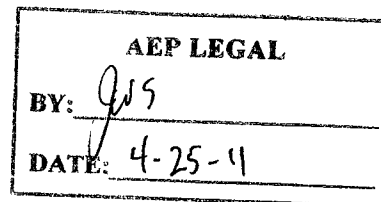
Date: 4-28-11



AEP TEXAS NORTH COMPANY

By: 
Michael Heyeck
Vice President

Date: 5/11/2011



SCHEDULE 3.1

FACILITY SCHEDULE NO.	LOCATION OF POINT(S) OF INTERCONNECTION (# of Points)	INTERCONNECTION VOLTAGE (KV)	EFFECTIVE DATE OR SUBSEQUENT AMENDMENT IN THE INTERCONNECTION AGREEMENT*
1	Nicole (1)	138	December 2, 2009 March 29, 2010
2	Bluff Creek (1)	138	March 29, 2010
3	Oak Creek (1)	138	March 29, 2010
4	Firerock PST (0)	-	March 29, 2010
5	Santiago (2)	138	March 29, 2010
6	South Abilene (1)	69	March 29, 2010
7	Cedar Gap (2)	69	March 29, 2010
8	Tuscola (2)	69	March 29, 2010
9	Bradshaw/Climax (2)	69	March 29, 2010
10	Winters (2)	69	March 29, 2010
11	Hatchel (1)	69	March 29, 2010
12	Ballinger (1)	69	March 29, 2010
13	Matador (1)	69	March 29, 2010
14	Paducah Clare Street (2)	69	March 29, 2010
15	Paducah City (1)	69	March 29, 2010
16	Rio Pecos (5)	69	March 29, 2010
17	Big Lake PST (2)	138	March 29, 2010
18	Tombstone (2)	138	March 29, 2010
19	Yellow Jacket (5)	69 & 138	March 29, 2010
20	West Childress (1)	69	March 29, 2010
21	Childress 20 th Street (1)	69	March 29, 2010
22	Cisco (1)	69	March 29, 2010
23	Putnam (1)	69	March 29, 2010
24	Illinois #4 (1)	69	March 29, 2010
25	Fort Lancaster (1)	69	March 29, 2010
26	Muleta (2)	69	March 29, 2010
27	Vernon Main (2)	69 & 138	March 29, 2010
28	Vernon Main-Lake Pauline Tie Line (1)	138	March 29, 2010
29	Vernon Main-Vernon North Tie Line (1)	69	March 29, 2010
30	Sand Road (1)	69	March 29, 2010
31	Southwest Vernon (1)	69	March 29, 2010

32	Oklaunion South Substation (5)	138 & 345	March 29, 2010 _____, 2011
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*** These dates do not necessarily reflect the date that the Point of Interconnection was established**

FACILITY SCHEDULE NO. 32

1. Name: Oklaunion South Substation
2. Facility Location: The Oklaunion South Substation ("Substation") is located at 12567 FM Rd. 3430, approximately 5 miles southeast of the City of Vernon, Wilbarger County, Texas. There are three (3) 138 kV and two (2) 345 kV Points of Interconnection at the Substation. The Points of Interconnection are located at i) the Substation dead-end structures where the conductors from the Substation equipment connect to the conductors of the 138 kV transmission lines from the Southwest Vernon substation and Vernon Main Street substation, ii) the point where the 138 kV conductors from switch #1397 connect to circuit switcher #5607, and iii) the Substation dead-end structures where the conductors from the Substation equipment connect to the conductors of the 345 kV transmission lines from the Mulberry Red Creek substation and Fisher Road substation.
3. Delivery Voltage: 138 kV & 345 kV
4. Normal Operation of Interconnection: Closed
5. One-Line Diagram Attached: Yes
6. Facility Ownership Responsibilities of the Parties:

ETT owns the following facilities:

- all transmission facilities within the Substation, other than Telecommunication Facilities (except for two (2) RTUs for ERCOT settlement metering and station control, including such RTU's dedicated IP switch and router equipment), between i) the Substation dead-end structures to which are attached the 138kV transmission lines to the Southwest Vernon substation and Vernon Main substation, 138kV tie-line to the Oklaunion Power Plant reserve auxiliary transformers, the 345kV transmission line to the Fisher Road substation, the 345kV tie-line to the Oklaunion Power Plant Generator Unit #1, the 345kV transmission line to the Mulberry Red Creek substation, and the 345kV transmission line to the Oklaunion HVDC substation and ii) the transmission side bushings of circuit switcher #5607. ETT owns the dead-end structures referenced in (i) of the foregoing, and AEP owns the bushings referenced in (ii) of the foregoing.
- all protective, metering, or control facilities and equipment in the Substation not functioning exclusively as protective, metering, or control devices for, or in support of the operation or maintenance of Distribution Facilities
- certain footprint facilities within the ground grid boundary of the Substation

AEP owns the following facilities:

- all Distribution Facilities within the Substation including the distribution transformer and all facilities and equipment functioning exclusively as protective, metering, or control devices for, or in support of the operation or maintenance of Distribution Facilities
- the Substation property, including perimeter fencing, as well as control house structure within the Substation
- the 138 kV facilities between circuit switcher #5607 and the Distribution Facilities, including circuit switcher #5607
- all Telecommunication Facilities except the two (2) RTU's referenced above
- one (1) wireless remote communication device
- certain footprint facilities within the ground grid boundary of the Substation:

AEP and Public Service Company of Oklahoma ("PSO") jointly own the Oklaunion HVDC Substation, including switch #5598. The relationship of AEP, PSO, and ETT with respect to the Point of Interconnection where the 345 kV conductors from switch #5598 connect to the dead-end structure inside the Oklaunion South Substation is addressed in a separate interconnection agreement among AEP, PSO, and ETT.

7. Operational Responsibilities of Each Party:
 - Each party controls and operates all the facilities it owns that are provided for in this Facility Schedule.
 - Per the December 21, 2007 Services Agreement between ETT and American Electric Power Service Corporation, AEP or its affiliates coordinate, direct, and perform all control center and field operation activities on the facilities owned by ETT. These activities shall include, but are not limited to, switching, clearances, and outages for planned maintenance and operations, emergency service restoration, and overall coordination of such activities with ERCOT.
8. Maintenance Responsibilities of Each Party:
 - Each Party is responsible for maintenance of the facilities it owns that are provided for in this Facility Schedule.
9. Cost Responsibilities of the Parties:
 - Each Party will be fully responsible for the costs and liabilities related to the facilities it owns.
10. Other Terms and Conditions: None

