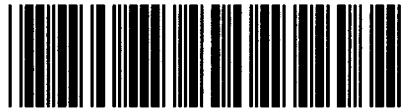


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PUBLIC UTILITY COMMISSION OF TEXAS
Substantive Rule 25.195(e)

Project No. 35077

INTERCONNECTION AGREEMENT

DATED AS OF FEBRUARY 23, 2012

BETWEEN

AEP TEXAS NORTH COMPANY

AND

ONCOR ELECTRIC DELIVERY COMPANY LLC

MARCH 8, 2012

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INTERCONNECTION AGREEMENT
BETWEEN
AEP TEXAS NORTH COMPANY
AND
ONCOR ELECTRIC DELIVERY COMPANY LLC

DATED:

2/13/12

**INTERCONNECTION AGREEMENT
BETWEEN
AEP TEXAS NORTH COMPANY
AND
ONCOR ELECTRIC DELIVERY COMPANY LLC**

This **Interconnection Agreement** ("Agreement") is made and entered into this 13TH day of FEBRUARY, 2012, by and between **AEP Texas North Company** ("AEP") and **Oncor Electric Delivery Company, LLC** ("Oncor"), each sometimes hereinafter referred to individually as a "Party" or both referred to collectively as the "Parties."

WITNESSETH

WHEREAS, each Party is the owner and operator of transmission and distribution facilities and is engaged in the business of transmitting electric energy to the general public within ERCOT; and

WHEREAS, the Parties, or their predecessors, have entered into (i) an interconnection agreement dated February 16, 1938 (as amended from time to time, the "1938 Interconnection Agreement") and (ii) an interconnection agreement dated June 19, 1998 (the "1998 Interconnection Agreement"); and

WHEREAS, the Parties desire to consolidate the 1938 Interconnection Agreement and the 1998 Interconnection Agreement into this Agreement between AEP and Oncor addressing all of the interconnection points included in such prior agreements; and

WHEREAS, prior to consolidating such agreements, the Parties need to provide for the interconnection of Oncor's transmission line at AEP's Bluff Creek Station set forth herein; and

WHEREAS, the Parties intend to amend this Agreement and incorporate herein the Facilities Schedules for each of the interconnection points addressed in the 1938 Interconnection Agreement, and the 1998 Interconnection Agreement, in accordance with the terms and conditions of this Agreement within twelve (12) months of the effective date of this Agreement.

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

ARTICLE I – EFFECTIVE DATE AND TERM

This Agreement and any subsequent addendum to this Agreement shall become effective on the date accepted by the Federal Energy Regulatory Commission ("FERC"), or any other regulatory agency or agencies having jurisdiction. The Parties shall request the FERC or any other regulatory agency or agencies having jurisdiction, to make the effective date be the date first appearing above. Unless otherwise mutually agreed, this Agreement shall remain in effect initially for a period of ten (10) years from the effective date, and shall continue in effect

thereafter for periods of two (2) years each unless canceled after such initial period or any subsequent period either by mutual agreement or by either Party upon at least twenty-four (24) months written notice to the other Party. Upon termination of this Agreement, each Party shall discontinue the use of the facilities of the other and shall disconnect the Points of Interconnection, subject to receipt of any regulatory approvals if required. Until such regulatory approvals are obtained with respect to termination of this Agreement, this Agreement will remain in effect with respect to the Point(s) of Interconnection.

ARTICLE II – OBJECTIVE AND SCOPE

2.1 It is the intent of the Parties, by this Agreement, to state the terms and conditions under which the Parties' transmission systems will be interconnected and to identify the facilities and equipment provided by each Party at the Points of Interconnection.

2.2 This Agreement shall apply to the ownership, design, construction, control, operation, and maintenance of those facilities that are specifically identified and described in the Facility Schedules that are attached hereto and incorporated herein.

2.3 This Agreement, including all attached Facility Schedules, 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 if not set forth or provided for herein. This Agreement replaces all other agreements and undertakings, oral and written, between the Parties with regard to the subject matter hereof. 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.

ARTICLE III – DEFINITIONS

For purposes of this Agreement, the following definitions shall apply:

3.1 Agreement shall mean this Agreement with all exhibits, schedules and attachments applying hereto, including any schedules and attachments hereafter made and any amendments hereafter made.

3.2 ERCOT shall mean the Electric Reliability Council of Texas, Inc., or its successor in function.

3.3 ERCOT Requirements shall mean the ERCOT Nodal Operating Guides, ERCOT Nodal Protocols, as well as any other documents adopted by ERCOT, relating to the interconnection and operation of electric transmission systems in ERCOT, as amended from time to time and any successors thereto.

3.4 Facility Schedule(s) shall mean the addendum(s) attached to and made a part of this Agreement that describe the responsibilities of the Parties at, or in association with, the

Point(s) of Interconnection, including, but not limited to, ownership, design, construction, control, operation, and maintenance.

3.5 FERC shall mean the Federal Energy Regulatory Commission or its successor in function.

3.6 Good Utility Practice shall have the meaning ascribed thereto in PUCT Rule 25.5(56) or its successor.

3.7 NERC shall mean the North American Electric Reliability Corporation or its successor in function.

3.8 NERC Reliability Standards shall mean the mandatory electric reliability standards enforced by NERC.

3.9 Point(s) of Interconnection shall mean the points of interconnection specified in Exhibit A and described in the Facility Schedule(s) where the electrical systems of the Parties are connected or may, by the closure of normally open switches, be connected.

3.10 PUCT shall mean the Public Utility Commission of Texas or its successor in function.

ARTICLE IV – ESTABLISHMENT AND TERMINATION OF POINTS OF INTERCONNECTION

4.1 The Parties agree to comply with NERC Reliability Standards and ERCOT Requirements as they relate to the interconnection of their facilities at the locations identified and described in the Facility Schedules that are attached hereto and incorporated herein.

4.2 The Parties agree to interconnect their facilities at the locations, and in accordance with the terms and conditions, specified in the attached Facility Schedule(s). All Points of Interconnection shall be specified in Exhibit A and the Facility Schedule(s) attached hereto and made a part hereof. The Facility Schedule(s) shall specify the responsibilities of the Parties with respect to ownership, control, operation, and maintenance of the interconnection facilities.

4.3 Unless otherwise provided in a Facility Schedule, each Party shall, at each Point of Interconnection, at its own risk and expense, design, install, or cause the design and installation of the transmission 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, originating in the system of one Party, from affecting or impairing the system of the other Party, or other systems to which the system of such Party is interconnected. The Parties agree that all Points of Interconnection will be established in conformance with the ERCOT Requirements. 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. Except as otherwise provided in the Facility Schedules, each Party will be responsible for the equipment and facilities it owns on its side of the Point of Interconnection.

4.4 From time to time, and subject to any required regulatory approvals, a Point of Interconnection may be added, changed, modified, or deleted from this Agreement as mutually agreed and negotiated in good faith by the Parties and/or as ordered by a regulatory authority having jurisdiction thereof. Mutual agreement by the Parties will not be required for a Party to delete a Point of Interconnection at which power is delivered uni-directionally to such Point of Interconnection from the system of the other Party. Any such change, addition, or deletion shall be recorded in Exhibit A and a Facility Schedule in such a way that the numbering of the other Facility Schedules is not changed. A Party desiring to terminate a Point of Interconnection shall provide at least twelve (12) months advance written notice to the other Party. Upon termination of a Point of Interconnection, each Party shall discontinue the use of the facilities of the other associated with the use of that Point of Interconnection and shall disconnect from that Point of Interconnection. The Parties agree to use reasonable efforts to coordinate the termination of a Point of Interconnection to minimize any disruption in service by either Party.

4.5 Unless mutually agreed, neither Party shall have the right to disconnect from the other Party at any Point of Interconnection specified on Exhibit A and a Facility Schedule, originally attached to this Agreement or added subsequent to the execution of this Agreement, except as set forth in Section 4.4 above, or for reason of a material violation of the terms of this Agreement, for which opportunity to correct such violation was given under Section 15.1 of this Agreement and such violation was not corrected in accordance with said Section 15.1.

4.6 For facilities not specified in the Facility Schedules, or if either Party makes equipment changes or additions to the equipment at a Point of Interconnection, which may affect the operation or performance of the other Party's interconnection facilities, the Parties agree to notify the other Party, in writing, of such changes. Such changes shall be made in accordance with Good Utility Practice, ERCOT Requirements, the National Electrical Safety Code, other applicable codes, and standards in effect at the time of construction, and coordinated between the Parties.

4.7 Upon mutual agreement, current as-built drawings shall be provided to the other Party of the facilities owned by that Party at each Point of Interconnection.

4.8 The Parties agree to coordinate and cooperate on assessments of the reliability impacts to the interconnected transmission system for new facilities requesting connection to their transmission facilities, in accordance with the NERC Reliability Standards.

ARTICLE 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 either Party to provide, or entitle either Party to receive, any service not expressly provided for herein. Each Party is responsible for making the arrangements necessary to receive any other service that either Party may desire from the other Party or any third party.

ARTICLE VI - SYSTEM OPERATION AND MAINTENANCE

6.1 Unless otherwise provided by the Facility Schedules, each Party shall, at each Point of Interconnection, at its own risk and expense, operate and maintain the facilities (including all apparatus and necessary protective devices) it owns or hereafter may own, so as to reasonably minimize the likelihood of voltage and frequency abnormalities, 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. The Parties agree that all Points of Interconnection will be operated and maintained in conformance with the ERCOT Requirements.

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

6.3 Unless otherwise provided by the Facility Schedules, each Party shall operate the facilities within its transmission network. 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.

6.4 During the term of this Agreement, the Parties will, consistent with maintaining Good Utility Practices, coordinate their operations to maintain continuity of services to their respective customers to the extent practicable. Planned facility maintenance by either Party that will cause a deviation from the normal power and energy flow at a Point of Interconnection will be scheduled in accordance with applicable laws, regulations, and ERCOT Requirements. Except as otherwise permitted by the terms of this Agreement, no changes will be made in the normal operation of a Point of Interconnection without the mutual agreement of the Parties. The Parties will, to the extent necessary to support continuity of operations, coordinate the operation of protective devices on the facilities they operate in the proximity of the Points of Interconnection that might reasonably be expected to affect the operation of facilities on the other Party's system.

6.5 Each Party will provide the reactive requirements for its own system in accordance with the ERCOT Requirements.

6.6 Each Party will determine the operating limits of the facilities that it owns and make such limits known to the Party operating those facilities. The operating Party of those facilities will not exceed those limits without prior approval of the Party owning the facilities.

6.7 Neither Party will take any action that would cause the other Party that is not a "public utility" under the Federal Power Act to become a "public utility" under the Federal Power Act or become subject to the plenary jurisdiction of FERC. Notwithstanding the foregoing, Oncor expressly acknowledges and agrees that AEP is subject to the jurisdiction of FERC, must file this Agreement with FERC, and must comply with applicable rules and orders of FERC.

ARTICLE VII - RIGHTS OF ACCESS, EQUIPMENT INSTALLATION, AND REMOVAL

7.1 Each Party shall 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 such other Party that is located on such premises or for the purpose of performing any work necessary in the performance of this Agreement.

7.2 Each Party grants to the other Party permission to install, maintain, and/or operate, or cause to be installed, maintained, and/or operated, on its premises, the necessary equipment, apparatus, and devices required for the performance of this Agreement. Any such installation, maintenance, and operation to be performed, except in the case of emergencies, shall be performed only after a schedule of such activity has been submitted and agreed upon by the Parties.

7.3 Any and all equipment, apparatus, and devices 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 on the property of the other Party, shall 1) have the right to sell such equipment, apparatus, devices, or facilities to the other Party if the other Party wishes to purchase such equipment, apparatus, devices, or facilities or 2) to 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 shall be considered abandoned by the owning Party and may be disposed of by the other Party in the manner it shall determine appropriate; provided, however, that any net cost incurred by the disposing Party shall be reimbursed by the abandoning Party.

7.4 Either Party may request the other Party to upgrade or modify its terminal facilities at a Point of Interconnection in accordance with applicable ERCOT Requirements and the other Party's standard design of equipment, provided that the upgrade or modification is consistent with Good Utility Practice and, if applicable, is approved by ERCOT. The requesting Party shall provide the responsive Party a minimum of twenty-four (24) months notice in advance of the date upon which the upgrade or modification of its terminal facilities at a Point of Interconnection is requested, absent mutual acceptance of a shorter notice period. The Parties agree to use reasonable efforts to coordinate the agreed upon upgrade or modification of terminal facilities at a Point of Interconnection to minimize any disruption in service by either Party.

ARTICLE VIII – METERING AND RECORDS

8.1 All metering equipment required herein shall be selected, installed, tested, operated, and maintained by the Party owning such metering equipment in accordance with Good Utility Practice and the ERCOT Requirements.

8.2 The Party that does not own the metering equipment shall be permitted to witness any testing, inspection, maintenance, or alteration of such metering equipment owned by the other Party. The owner of such equipment 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.

8.3 If any test or inspection of metering equipment shows that it does not meet the accuracy requirements established by the ERCOT Requirements, the meter or other equipment found to be inaccurate or defective shall be promptly repaired, adjusted, or replaced by the owner. Should metering equipment fail to register, the power and energy delivered and received shall be determined in accordance with the ERCOT Requirements.

8.4 As long as metering, telemetering or communications facilities are required by the ERCOT Requirements and are operated and maintained in accordance with ERCOT Requirements, the Party owning these facilities shall allow the other Party to read the meter by means of the existing telemetering and communications facilities. The other Party shall 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.

ARTICLE IX – COMMUNICATION AND TELEMETERING FACILITIES

9.1 Each Party shall provide, at its own expense, the necessary communication and telemetering facilities needed for the control and operation of its transmission and/or distribution system.

9.2 All communication and telemetering facilities required herein shall be selected, installed, tested, operated, and maintained by the Party owning such equipment in accordance with Good Utility Practice and the ERCOT Requirements.

ARTICLE X - INDEMNIFICATION

EACH PARTY SHALL ASSUME ALL LIABILITY FOR, AND 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 (INCLUDING THE EMPLOYEES OF THE INDEMNIFIED PARTY) OR DAMAGE TO PROPERTY (INCLUDING PROPERTY OF THE INDEMNIFIED

PARTY) 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 AND TO THE EXTENT PERMITTED BY LAW, EXCEPT IN CASES OF NEGLIGENCE OR INTENTIONAL WRONGDOING BY THE OTHER PARTY.

ARTICLE XI –NOTICES

11.1 Notices of an administrative nature, including but not limited to a notice of termination, notice of default, request for amendment, change to a Point of Interconnection, or request for a new Point of Interconnection, shall be forwarded to the designees listed below for each Party and shall be deemed properly given if delivered in writing to the following:

If to AEP:

American Electric Power Service Corporation
Director, Transmission and Interconnection Services
212 E. 6th St
Tulsa, Oklahoma 74119
(918) 599-2723
rlpennybaker@aep.com

With copy to:

American Electric Power Service Corporation
Director, Transmission Planning
Paul Hassink
212 E. 6th St
Tulsa, OK 74119
918-599-2653
phassink@aep.com

If to Oncor:

Oncor Electric Delivery Company LLC
Jeffrey B. Herring, Director – Transmission Services
2233-B Mountain Creek Parkway
Dallas, TX 75211-6716
(214) 743-6812
Fax: (972) 263-6710
jherring@oncor.com

11.2 The above listed names, titles, and addresses of either Party may be changed upon written notification to the other Party.

ARTICLE XII - 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 Neither Party shall assign its interest in this Agreement in whole or in part without the prior written consent of the other Party. Such consent shall not be unreasonably withheld, provided that neither 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 either Party with any other person or entity. Notwithstanding the foregoing, a Party may assign, without the consent of the other Party, its interest in this Agreement, in whole or in part, to a successor to all or a substantial portion of the Party's transmission and distribution business; to any affiliate of the assigning Party with an equal or greater credit rating; 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.

ARTICLE XIII – GOVERNING LAW AND REGULATION

13.1 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 thereof 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 This Agreement and all obligations hereunder, are expressly conditioned upon obtaining approval or authorization or acceptance for filing by any regulatory authority whose approval, authorization or acceptance for filing is required by law. After execution by both Parties, AEP will file this Agreement with the FERC with copies of such filing provided to the PUCT. Both Parties hereby agree to support the approval of this Agreement before such regulatory authorities and to provide such documents, information, and opinions as may be reasonably required or requested by either Party in the course of approval proceedings.

13.3 In the event that a regulatory authority having jurisdiction over the Parties orders a change in the terms of this Agreement, 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. 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, subject to receipt of any regulatory approvals required by applicable law, by providing sixty (60) days prior written notice of such election to the other Party. An election to terminate under this provision shall not affect either Party's duty to perform prior to the effective date of termination.

13.4 In the event any part of this Agreement is declared invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect and shall constitute a binding agreement between the Parties provided, however, that if either Party determines, in its sole discretion, that there is a material change in this Agreement by reason of any provision or application being finally determined to be invalid, illegal, or unenforceable, that Party may terminate this Agreement, subject to receipt of any regulatory approvals required by applicable law, upon sixty (60) days prior written notice to the other Party. An election to terminate under this provision shall not affect either Party's duty to perform prior to the effective date of termination.

ARTICLE XIV – DEFAULT AND FORCE MAJEURE

Neither Party shall be considered in default with respect to any obligation hereunder, other than the payment of money, if prevented from fulfilling such obligations by reason of any cause beyond its reasonable control, including, but not limited to, outages or interruptions due to weather, accidents, equipment failures or threat of failure, strikes, civil unrest, injunctions or order of governmental or regulatory authority having jurisdiction ("Force Majeure"). If performance by either Party has been prevented by such event, the affected Party shall promptly and diligently attempt to remove the cause of its failure to perform, except that neither Party shall be obligated to agree to any quick settlement of any strike or labor disturbance, that, in the affected Party's opinion, may be inadvisable or detrimental, or to appeal from any administrative or judicial ruling.

ARTICLE XV - TERMINATION ON DEFAULT

15.1 The term "Default" shall mean the failure of either Party to perform any obligation in the time or manner provided in this Agreement. No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written Default notice of such Default to the defaulting Party. Except as provided in Section 15.2, the defaulting Party shall have thirty (30) days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within thirty (30) days, the defaulting Party shall commence such cure within thirty (30) days after Default notice and continuously and diligently complete such cure within ninety (90) days from receipt of the Default notice; and, if cured within such time, the Default specified in such Default notice shall cease to exist.

15.2 If a Default is not cured as provided in this Section, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right

to terminate this Agreement, subject to receipt of any regulatory approvals required by applicable law, by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this Section will survive termination of this Agreement.

15.3 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.

ARTICLE XVI- MISCELLANEOUS PROVISIONS

16.1 Any undertaking by a Party to the other Party under this Agreement shall not constitute the dedication of the electrical system or any portion thereof of that Party to the public or to the other Party, and it is understood and agreed that any such undertaking shall cease upon the termination of this Agreement.

16.2 IN NO EVENT SHALL EITHER PARTY BE LIABLE UNDER ANY PROVISION OF THIS AGREEMENT FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT OR REVENUE, LOSS OF THE USE OF EQUIPMENT, COST OF CAPITAL, COST OF TEMPORARY EQUIPMENT OR SERVICES, WHETHER BASED IN WHOLE OR IN PART IN CONTRACT, IN TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY OF LIABILITY; PROVIDED, HOWEVER, THAT DAMAGES FOR WHICH A PARTY MAY BE LIABLE TO THE OTHER PARTY UNDER ANOTHER AGREEMENT WILL NOT BE CONSIDERED TO BE SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES HEREUNDER.

16.3 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 such Party is presently aware, would limit the effectiveness or frustrate the purpose of this Agreement.

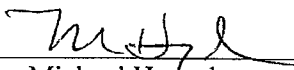
16.4 This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced in writing and executed by the Parties.

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

16.6 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.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by the undersigned authorized representatives.

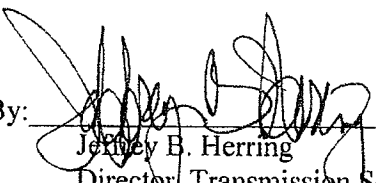
AEP TEXAS NORTH COMPANY

By: 
Michael Heyeck
Vice President

AEP LEGAL	
BY:	<u>gws</u>
DATE:	<u>2-10-12</u>

Date: 2/13/12

ONCOR ELECTRIC DELIVERY COMPANY, LLC

By: 
Jeffrey B. Herring
Director Transmission Services

Date: 2/2/12

EXHIBIT A

Facility Schedule No	Name of Point of Interconnection (# of Points)	Interconnection Voltage (kV)	Effective Date in this Agreement or Subsequent Amendment to this Agreement
1	Bluff Creek (2)	345	February 13, 2012

FACILITY SCHEDULE NO. 1

1. **Name:** Bluff Creek
2. **Point of Interconnection location:** The Points of Interconnection are located in AEP's Bluff Creek Switching Station ("Station") in Taylor County. The Station is located at 14257-B Hwy 277 South, Buffalo Gap, TX 79566. There are two (2) Points of Interconnection within the Station at 1) the dead-end structure inside the Station where the 345 kV Station equipment jumpers physically connect to Oncor's Central Bluff Switching Station ("Central Bluff Switch") 345 kV transmission line; and 2) the dead-end structure inside the Station where the 345 kV Station equipment jumpers physically connect to Oncor's Brown Switching Station ("Brown Switch") 345 kV transmission line.
3. **Delivery voltage:** 345 kV
4. **Metering (voltage, location):**

AEP will monitor power and energy flows, device status, and bus voltage at the Station associated with the two (2) Points of Interconnection. AEP will provide such data to ERCOT in accordance with ERCOT Requirements.
5. **Normally closed:** Yes
6. **One line diagram attached:** Yes
7. **Facilities to be furnished and owned or controlled by Oncor:**
 - a) Central Bluff Switch 345 kV transmission line, including structures, conductors, insulators, connectors, hardware
 - b) one (1) 7/16 inch steel shield wire from Central Bluff Switch to a dead-end structure within the Station
 - c) one (1) optical ground wire ("OPGW") from Central Bluff Switch to Oncor's dead-end structure #10/4A located approximately 170 feet outside the Station fence with one (1) 7/16 inch steel shield wire from dead-end structure #10/4A to a dead-end structure within the Station and associated right of way
 - d) Brown Switch 345 kV transmission line, including structures, conductors, insulators, connectors, hardware
 - e) one (1) 7/16 inch steel shield wire from Brown Switch to a dead-end structure within the Station
 - f) one (1) OPGW from Brown Switch to Oncor's dead-end structure #1/1N located approximately 95 feet outside the Station fence with one (1) 7/16 inch steel shield wire from dead-end structure #1/1N to a dead-end structure within the Station and associated right of way
 - g) one (1) telecom building, located approximately 75 feet outside the Station fence, and all contents and support facilities within it, including necessary splices, pigtails and fiber distribution panels ("FDPs") associated with the interface between Oncor's fiber cables and AEP's fiber cables

- h) civil and foundation work for the telecom building
- i) one (1) fiber cable and associated duct/innerduct system from Oncor's dead-end structure #10/4A to Oncor's telecom building and from Oncor's telecom building to Oncor's splice box mounted on AEP's splice pedestal ("Pedestal") located outside and adjacent to the Station fence ("Common Area") at the interface point between Oncor's fiber cables and AEP's fiber cables.
- j) one (1) fiber cable and associated duct/innerduct system from Oncor's dead-end structure #1/1N to Oncor's telecom building and from Oncor's telecom building to Oncor's splice box mounted on the Pedestal in the Common Area at the interface point between Oncor's fiber cables and AEP's fiber cables
- k) AC junction box mounted on the Pedestal in the Common Area and associated conduit and cable from the AC junction box to Oncor's telecom building

8. **Facilities to be furnished and owned or controlled by AEP:**

- a) the Station and all the facilities within it, except as otherwise specified herein with respect to the Central Bluff Switch and Brown Switch 345 kV transmission lines
- b) two (2) 345 kV dead-end structures and associated jumpers within the Station to terminate Oncor's Central Bluff Switch and Brown Switch 345 kV transmission lines
- c) breakers and switches for the Central Bluff Switch 345 kV transmission line and associated facilities
- d) breakers and switches for the Brown Switch 345 kV transmission line and associated facilities
- e) hand hole as required for the pulling and coil storage of duct fiber
- f) two (2) fiber cables and associated duct/innerduct systems from the Station control house to Oncor's splice box mounted on the Pedestal in the Common Area at the interface point between Oncor's fiber cables and AEP's fiber cables
- g) AC supply for Oncor's telecom building and associated conduit and cable from the Station control house to Oncor's AC box mounted on the Pedestal in the Common Area
- h) perimeter fencing for the Station, including fencing around the Common Area

9. **Cost Responsibility:**

Each Party shall be responsible for all costs it incurs associated with facilities it owns at, connected to, or associated with, the Points of Interconnection, including, but not limited to, costs associated with the ownership, engineering, procurement, construction, operation, maintenance, replacement, repair and testing of such facilities.

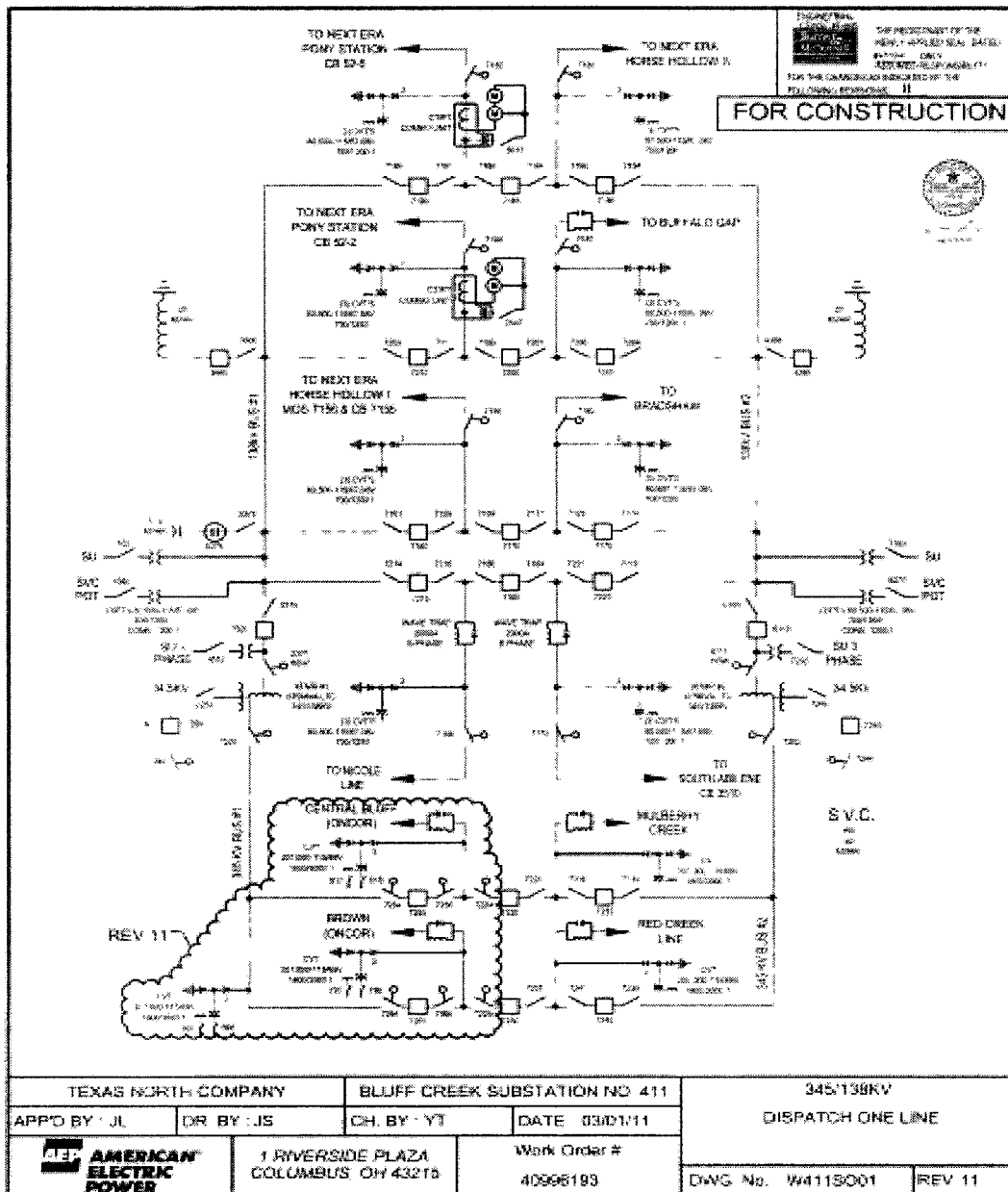
10. **Switching and Clearance:**

Each Party has adopted formal switching procedures that govern safety related issues concerning the operation of its switches connected to the Points of Interconnection and has provided a copy of those procedures to the other Party. Each Party agrees to comply with the aforementioned switching procedures of the other Party applicable to the Points of Interconnection and will notify the other Party in writing of any changes to its procedures relating to the Points of Interconnection.

11. **Supplemental terms and conditions:**

The following supplemental terms and conditions shall be met unless there is a conflict between these terms and conditions and ERCOT Requirements, in which case the ERCOT Requirements shall prevail.

- a) The OPGW as identified in the interconnection facilities herein shall be provisioned and maintained in accordance with the following conditions:
 - i) No fiber optic cable with metallic members shall be extended into the Station control house or Oncor's telecom building.
 - ii) Fiber optic cable with metallic members includes, but is not limited to, OPGW, fiber optic cable with an integral trace wire, and metallic-armored fiber optic cable.
 - iii) Fiber optic entrance cable systems shall each include all-dielectric fiber optic cable, the necessary outdoor splice box, trays and fusion splice sleeves and the necessary indoor splice housing, trays, fusion splice sleeves, fiber pigtails and FDP.
 - iv) For the Central Bluff Switch and the Brown Switch 345 kV transmission lines, Oncor shall, at its sole expense, perform splicing of all fibers it owns, including the fibers in transition splices and port terminations in the FDP's associated with the OPGW, OPGW jumpers, entrance fiber cables to Oncor's telecom building and telecom building extension fiber cables from Oncor's telecom building to Oncor's splice box mounted on the Pedestal located outside the Station fence, but within the Common Area at the interface point between Oncor's fiber cables and AEP's fiber cables.
- b) Use of the fiber interface specified herein, associated with the OPGW for the Central Bluff Switch and the Brown Switch 345 kV transmission lines, shall be limited to facilitating system protection communications on the Central Bluff Switch and the Brown Switch 345 kV transmission lines.
- c) Each Party shall provide operational data for facilities it owns (that are connected to the Points of Interconnection) to ERCOT via Inter-control Center Communications Protocol (ICCP), or other methods acceptable to ERCOT.
- d) Any grounding connections between the Station and Oncor's telecom facilities shall meet AEP's specifications.
- e) Land rights shall, in accordance with the letter agreement between AEP and Oncor, dated December 13, 2012, be granted to Oncor for:
 - i) the 345 kV transmission lines attaching to the dead-end structures within the Station; and
 - ii) fiber optic telecommunication facilities and associated facilities and equipment to be located outside the Station fence, or in the Common Area.; and
 - iii) associated distribution facilities.



Arch A (B-1/2 X 11)

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