

Before  
THE PUBLIC UTILITIES COMMISSION OF OHIO

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: In the Matter of the application of :  
: OHIO POWER COMPANY : Case No. 17-\_\_\_\_-EL-AIS  
: for authority to issue short-term notes and other :  
: evidences of indebtedness :  
.....

APPLICATION

Your Applicant, Ohio Power Company, respectfully requests authority to participate in the AEP System Utility Money Pool, and to make short-term borrowings of up to \$400,000,000 from the Money Pool from time to time, through May 31, 2018.

FIRST: Applicant is an Ohio corporation engaged in the business of supplying to consumers within the State of Ohio electricity for light, heat and power purposes and is a public utility as defined by the Ohio Revised Code.

SECOND: Applicant's authorized and outstanding capital stock as of September 30, 2016 was as follows:

(1) 40,000,000 shares of Common Stock without par value authorized, of which there were 27,952,473 shares issued and outstanding;

(2) 3,762,403 Cumulative Preferred Shares (par value \$100) authorized, of which there were none issued and outstanding; and

(3) 4,000,000 Cumulative Preferred Shares (par value \$25) authorized, of which there were none issued and outstanding.

THIRD: The outstanding funded debt of Applicant as of September 30, 2016 consisted of \$1,613,705,000 of unsecured long-term notes and other long-term debt (including capital leases, but excluding the securitization bond and pollution control bonds whose costs are paid by

other entities), all of which notes were issued pursuant to former orders of your Honorable Commission. Applicant had no short-term debt outstanding at September 30, 2016.

FOURTH: Attached hereto as Exhibit A are financial statements, including a balance sheet and statements of income and retained earnings of the Applicant as of September 30, 2016.

FIFTH: Applicant hereby requests authorization to continue to participate in the AEP System Utility Money Pool ("Money Pool")<sup>1</sup> as set forth in this Application and to make short-term borrowings up to \$400,000,000 from the Money Pool from time to time through May 31, 2018. Applicant is requesting the extension of its current short-term debt authority at its current authorized amount.

A. Background and Request.

In Case No. 16-496-EL-AIS, this Commission authorized Applicant to participate in the Money Pool and to make short-term borrowing up to \$400,000,000 from the Money Pool from time to time through May 31, 2017. Each Participant makes unsecured short-term borrowings from the Money Pool and contributes surplus funds to the Money Pool. AEP and Utility Funding may only contribute funds to the Money Pool and are not authorized to borrow funds from the Money Pool. A copy of the AEP System Utility Money Pool Agreement, as amended, is attached hereto as Exhibit B.

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<sup>1</sup> In addition to Applicant, the following companies are parties to the Money Pool: AEP Appalachian Transmission Company, Inc., AEP Generating Company, AEP Indiana Michigan Transmission Company, Inc., AEP Kentucky Transmission Company, Inc., AEP Ohio Transmission Company, Inc., AEP Oklahoma Transmission Company, Inc., AEP Texas Inc. (successor to AEP Texas Central Company and AEP Texas North Company), AEP West Virginia Transmission Company, Inc., Appalachian Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Public Service Company of Oklahoma, Southwestern Electric Power Company, Wheeling Power Company, Blackhawk Coal Company, Cedar Coal Company, Central Appalachian Coal Company, Central Coal Company, Dolet Hills Lignite Company LLC and Southern Appalachian Coal Company (the "Participants"), American Electric Power Company, Inc. ("AEP") and AEP Utility Funding, LLC ("Utility Funding").

*B.     Current Operations.*

All short-term borrowing needs of the Participants are met by funds in the Money Pool to the extent such funds are available. Applicant has the right to borrow from the Money Pool from time to time, subject to the availability of funds; provided, however, that the aggregate amount of all loans requested by Applicant shall not exceed the proposed short-term borrowing limit of \$400,000,000. Applicant is not obligated to borrow from the Money Pool if lower cost funds can be obtained from its own external borrowing. While neither AEP nor Utility Funding borrow funds from the Money Pool or any Participant, AEP and Utility Funding do contribute funds to the Money Pool.

American Electric Power Service Corporation ("AEPSC") acts as administrative agent of the Money Pool. Each Participant and AEP determine the amount of funds it has available for contribution to the Money Pool. The determination of whether a Participant at any time has surplus funds, or should lend such funds to the Money Pool, is made by such Participant's treasurer, any assistant treasurer, or by a designee thereof, on the basis of cash flow projections and other relevant factors, in such Participant's sole discretion. Each Participant may withdraw any of its funds at any time upon notice to AEPSC.

*C.     Sources of Funds.*

The Money Pool includes from time to time funds from the following sources: (i) surplus funds of any of the Participants; (ii) surplus funds of AEP; (iii) short-term borrowings by AEP. All debt issued in connection with the Money Pool is unsecured.

AEPSC administers the Money Pool by matching up, to the extent possible, short-term cash surpluses and loan requirements of the various Participants. Participants' requests for short-term loans are met first from surplus funds of other Participants which are available to the Money Pool. To the extent that Participant contributions of surplus funds to the Money Pool are

insufficient to meet Participant requests for short-term loans, AEP may contribute surplus corporate funds to the extent available or borrowings may be made from external sources. Funds which are loaned from Participants into the Money Pool which are not required to satisfy borrowing needs of other Participants are invested on the behalf of the Money Pool in one or more short-term instruments.

Funds provided by Applicant to the Money Pool should only be loaned to those Money Pool Participants (i) who are regulated public utilities or such utilities' subsidiaries or (ii) who have, or whose direct parent company has, investment grade or higher credit ratings from at least one nationally recognized rating agency or, in the absence of such rating, an investment grade or higher corporate credit rating from at least one such agency.

*D. Use of Proceeds.*

The Money Pool makes funds available to Participants for the interim financing of maturing long-term debt, their capital expenditure programs, other working capital needs and to repay previous borrowings incurred for such purposes. External borrowings will not be made unless there are no surplus funds in the treasuries of the Participants sufficient to meet borrowing needs. Each Participant borrows pro rata from each funding source in the same proportion that the amount of funds provided by that funding source bears to the total amount of short-term funds available to the Money Pool.

*E. Interest Rate.*

The interest rate applicable on any day to then outstanding loans through the Money Pool is the composite weighted average daily effective cost incurred by AEP for short-term borrowings from external sources for the Money Pool. If there are no borrowings outstanding then the rate is the certificate of deposit yield equivalent of the 30-day Federal Reserve "A2/P2" Non Financial Commercial Paper Composite Rate ("Composite"), or if no

composite is established for that day then the applicable rate is the Composite for the next preceding day for which the Composite is established.

Each Participant receiving a loan must repay the principal amount of such loan, together with all interest accrued thereon, on demand and in any event not later than the then-effective expiration date of the authorization for the operation of the Money Pool. All loans made through the Money Pool may be prepaid by the borrower without premium or penalty. If the Money Pool is in an invested position, interest income related to external investments is calculated daily and allocated back to Participants on the basis of their relative contribution to the investment pool funds on that date.


\* \* \*

WHEREFORE: Applicant requests authority to continue to participate in the AEP System Utility Money Pool as set forth in this Application and to make short-term borrowings up to \$400,000,000 from the Money Pool from time to time.

Applicant further requests all other and further relief necessary and appropriate.

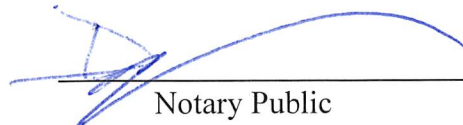
Respectfully submitted this 16<sup>th</sup> day of January, 2017.

OHIO POWER COMPANY

By   
\_\_\_\_\_  
Renee V. Hawkins  
Assistant Treasurer

STATE OF OHIO                    )  
  ) SS:  
COUNTY OF FRANKLIN        )

Before me, a Notary Public in and for Franklin County in the State of Ohio, personally appeared Renee V. Hawkins, Assistant Treasurer of Ohio Power Company, the Applicant in the foregoing application, and she being duly sworn says that the facts and allegations herein contained are true to the best of her knowledge and belief.

  
\_\_\_\_\_  
Notary Public  
My Commission does not expire

Dated: January 16, 2017



David C. House, Attorney At Law  
NOTARY PUBLIC - STATE OF OHIO  
My commission has no expiration date  
Sec. 147.03 R.C.

**EXHIBIT A**

**Financial Statements of Applicant as of September 30, 2016.**

**EXHIBIT B**

**AEP System Utility Money Pool Agreement**

**OHIO POWER COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
**For the Three and Nine Months Ended September 30, 2016 and 2015**  
(in millions)  
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
<b>REVENUES</b>				
Electricity, Transmission and Distribution	\$ 864.4	\$ 775.9	\$ 2,349.2	\$ 2,320.4
Sales to AEP Affiliates	5.5	4.4	11.7	79.7
Other Revenues	1.4	2.0	4.8	6.4
<b>TOTAL REVENUES</b>	<b>871.3</b>	<b>782.3</b>	<b>2,365.7</b>	<b>2,406.5</b>
<b>EXPENSES</b>				
Purchased Electricity for Resale	203.4	173.1	516.1	431.6
Purchased Electricity from AEP Affiliates	35.9	45.8	121.4	462.6
Amortization of Generation Deferrals	66.1	55.4	173.0	122.2
Other Operation	184.2	170.2	525.9	446.8
Maintenance	38.8	39.4	104.4	121.2
Depreciation and Amortization	69.4	63.7	189.0	178.6
Taxes Other Than Income Taxes	101.9	93.8	291.7	283.2
<b>TOTAL EXPENSES</b>	<b>699.7</b>	<b>641.4</b>	<b>1,921.5</b>	<b>2,046.2</b>
<b>OPERATING INCOME</b>	<b>171.6</b>	<b>140.9</b>	<b>444.2</b>	<b>360.3</b>
<b>Other Income (Expense):</b>				
Interest Income	0.7	1.2	3.0	4.3
Carrying Costs Income (Expense)	0.9	(1.6)	4.0	10.0
Allowance for Equity Funds Used During Construction	0.3	2.2	3.7	7.0
Interest Expense	(27.2)	(32.6)	(87.7)	(96.3)
<b>INCOME BEFORE INCOME TAX EXPENSE</b>	<b>146.3</b>	<b>110.1</b>	<b>367.2</b>	<b>285.3</b>
Income Tax Expense	46.4	38.5	122.5	100.6
<b>NET INCOME</b>	<b>\$ 99.9</b>	<b>\$ 71.6</b>	<b>\$ 244.7</b>	<b>\$ 184.7</b>

The common stock of OPCo is wholly-owned by Parent.

See Condensed Notes to Condensed Financial Statements of Registrants beginning on page 113.



**OHIO POWER COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**For the Three and Nine Months Ended September 30, 2016 and 2015**  
**(in millions)**  
**(Unaudited)**

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Net Income	\$ 99.9	\$ 71.6	\$ 244.7	\$ 184.7
<b>OTHER COMPREHENSIVE LOSS, NET OF TAXES</b>				
Cash Flow Hedges, Net of Tax of \$(0.1) and \$(0.2) for the Three Months Ended September 30, 2016 and 2015, Respectively, and \$(0.5) and \$(0.6) for the Nine Months Ended September 30, 2016 and 2015, Respectively	(0.2)	(0.3)	(1.0)	(1.0)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>\$ 99.7</b>	<b>\$ 71.3</b>	<b>\$ 243.7</b>	<b>\$ 183.7</b>

*See Condensed Notes to Condensed Financial Statements of Registrants beginning on page 113.*

**OHIO POWER COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN**  
**COMMON SHAREHOLDER'S EQUITY**  
**For the Nine Months Ended September 30, 2016 and 2015**  
**(in millions)**  
**(Unaudited)**

	<b>Common Stock</b>	<b>Paid-in Capital</b>	<b>Retained Earnings</b>	<b>Accumulated Other Comprehensive Income (Loss)</b>	<b>Total</b>
<b>TOTAL COMMON SHAREHOLDER'S EQUITY - DECEMBER 31, 2014</b>	\$ 321.2	\$ 838.8	\$ 814.6	\$ 5.6	\$ 1,980.2
Common Stock Dividends			(156.3)		(156.3)
Net Income			184.7		184.7
Other Comprehensive Loss				(1.0)	(1.0)
<b>TOTAL COMMON SHAREHOLDER'S EQUITY - SEPTEMBER 30, 2015</b>	<u>\$ 321.2</u>	<u>\$ 838.8</u>	<u>\$ 843.0</u>	<u>\$ 4.6</u>	<u>\$ 2,007.6</u>
<b>TOTAL COMMON SHAREHOLDER'S EQUITY - DECEMBER 31, 2015</b>	\$ 321.2	\$ 838.8	\$ 822.3	\$ 4.3	\$ 1,986.6
Common Stock Dividends			(150.0)		(150.0)
Net Income			244.7		244.7
Other Comprehensive Loss				(1.0)	(1.0)
<b>TOTAL COMMON SHAREHOLDER'S EQUITY - SEPTEMBER 30, 2016</b>	<u>\$ 321.2</u>	<u>\$ 838.8</u>	<u>\$ 917.0</u>	<u>\$ 3.3</u>	<u>\$ 2,080.3</u>

*See Condensed Notes to Condensed Financial Statements of Registrants beginning on page 113.*

**OHIO POWER COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**ASSETS**  
**September 30, 2016 and December 31, 2015**  
**(in millions)**  
**(Unaudited)**

	September 30, 2016	December 31, 2015
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 4.0	\$ 3.1
Restricted Cash for Securitized Funding	16.1	27.7
Advances to Affiliates	0.2	331.1
Accounts Receivable:		
Customers	13.8	46.4
Affiliated Companies	54.1	64.3
Accrued Unbilled Revenues	35.1	1.4
Miscellaneous	0.7	0.4
Allowance for Uncollectible Accounts	(0.2)	(0.2)
Total Accounts Receivable	103.5	112.3
Materials and Supplies	48.8	61.5
Emission Allowances	18.3	24.6
Accrued Tax Benefits	11.5	1.8
Prepayments and Other Current Assets	16.3	11.1
<b>TOTAL CURRENT ASSETS</b>	<b>218.7</b>	<b>573.2</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Electric:		
Transmission	2,287.3	2,235.6
Distribution	4,401.7	4,287.7
Other Property, Plant and Equipment	436.7	408.2
Construction Work in Progress	194.1	171.9
<b>Total Property, Plant and Equipment</b>	<b>7,319.8</b>	<b>7,103.4</b>
Accumulated Depreciation and Amortization	2,107.1	2,048.7
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT – NET</b>	<b>5,212.7</b>	<b>5,054.7</b>
<b>OTHER NONCURRENT ASSETS</b>		
Notes Receivable – Affiliated	32.3	32.3
Regulatory Assets	1,016.4	1,113.0
Securitized Assets	68.0	85.9
Long-term Risk Management Assets	—	19.2
Deferred Charges and Other Noncurrent Assets	116.0	259.6
<b>TOTAL OTHER NONCURRENT ASSETS</b>	<b>1,232.7</b>	<b>1,510.0</b>
<b>TOTAL ASSETS</b>	<b>\$ 6,664.1</b>	<b>\$ 7,137.9</b>

*See Condensed Notes to Condensed Financial Statements of Registrants beginning on page 113.*

**OHIO POWER COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**LIABILITIES AND COMMON SHAREHOLDER'S EQUITY**  
September 30, 2016 and December 31, 2015  
(dollars in millions)  
(Unaudited)

	September 30, 2016	December 31, 2015
<b>CURRENT LIABILITIES</b>		
Accounts Payable:		
General	\$ 152.9	\$ 156.4
Affiliated Companies	90.9	88.7
Long-term Debt Due Within One Year – Nonaffiliated (September 30, 2016 and December 31, 2015 Amounts Include \$46.3 and \$45.9, Respectively, Related to Ohio Phase-in-Recovery Funding)	46.4	395.9
Risk Management Liabilities	5.6	3.6
Customer Deposits	71.2	65.4
Accrued Taxes	246.6	528.3
Accrued Interest	38.4	33.0
Other Current Liabilities	87.0	154.3
<b>TOTAL CURRENT LIABILITIES</b>	<b>739.0</b>	<b>1,425.6</b>
<b>NONCURRENT LIABILITIES</b>		
Long-term Debt – Nonaffiliated (September 30, 2016 and December 31, 2015 Amounts Include \$93.7 and \$139.4, Respectively, Related to Ohio Phase-in-Recovery Funding)	1,717.0	1,761.8
Long-term Risk Management Liabilities	103.5	—
Deferred Income Taxes	1,414.0	1,383.2
Regulatory Liabilities and Deferred Investment Tax Credits	555.7	514.2
Employee Benefits and Pension Obligations	27.7	35.8
Deferred Credits and Other Noncurrent Liabilities	26.9	30.7
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>3,844.8</b>	<b>3,725.7</b>
<b>TOTAL LIABILITIES</b>	<b>4,583.8</b>	<b>5,151.3</b>
Rate Matters (Note 4)		
Commitments and Contingencies (Note 5)		
<b>COMMON SHAREHOLDER'S EQUITY</b>		
Common Stock – No Par Value:		
Authorized – 40,000,000 Shares		
Outstanding – 27,952,473 Shares	321.2	321.2
Paid-in Capital	838.8	838.8
Retained Earnings	917.0	822.3
Accumulated Other Comprehensive Income (Loss)	3.3	4.3
<b>TOTAL COMMON SHAREHOLDER'S EQUITY</b>	<b>2,080.3</b>	<b>1,986.6</b>
<b>TOTAL LIABILITIES AND COMMON SHAREHOLDER'S EQUITY</b>	<b>\$ 6,664.1</b>	<b>\$ 7,137.9</b>

See Condensed Notes to Condensed Financial Statements of Registrants beginning on page 113.

**OHIO POWER COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
For the Nine Months Ended September 30, 2016 and 2015  
(in millions)  
(Unaudited)

	Nine Months Ended September 30,	
	2016	2015
<b>OPERATING ACTIVITIES</b>		
Net Income	\$ 244.7	\$ 184.7
Adjustments to Reconcile Net Income to Net Cash Flows from Operating Activities:		
Depreciation and Amortization	189.0	178.6
Amortization of Generation Deferrals	173.0	122.2
Deferred Income Taxes	28.6	28.1
Carrying Costs Income	(4.0)	(10.0)
Allowance for Equity Funds Used During Construction	(3.7)	(7.0)
Mark-to-Market of Risk Management Contracts	124.7	31.8
Pension Contributions to Qualified Plan Trust	(7.1)	(7.7)
Property Taxes	169.1	148.4
Purchased Electricity Over/Under-Recovery, Net	(21.1)	(15.7)
Deferral of Ohio Capacity Costs, Net	—	(30.7)
Change in Other Noncurrent Assets	(124.9)	27.8
Change in Other Noncurrent Liabilities	17.2	32.3
Changes in Certain Components of Working Capital:		
Accounts Receivable, Net	8.8	41.2
Materials and Supplies	0.5	(15.0)
Accounts Payable	2.0	(78.8)
Accrued Taxes, Net	(291.1)	(134.7)
Other Current Assets	(4.5)	(3.2)
Other Current Liabilities	(26.9)	1.7
Net Cash Flows from Operating Activities	<u>474.3</u>	<u>494.0</u>
<b>INVESTING ACTIVITIES</b>		
Construction Expenditures	(276.4)	(346.8)
Change in Restricted Cash for Securitized Funding	11.6	12.5
Change in Advances to Affiliates, Net	330.9	33.3
Proceeds from Notes Receivable – Affiliated	—	86.0
Other Investing Activities	9.0	10.9
Net Cash Flows from (Used for) Investing Activities	<u>75.1</u>	<u>(204.1)</u>
<b>FINANCING ACTIVITIES</b>		
Retirement of Long-term Debt – Nonaffiliated	(395.9)	(131.5)
Principal Payments for Capital Lease Obligations	(3.1)	(2.9)
Dividends Paid on Common Stock	(150.0)	(156.3)
Other Financing Activities	0.5	1.2
Net Cash Flows Used for Financing Activities	<u>(548.5)</u>	<u>(289.5)</u>
Net Increase in Cash and Cash Equivalents	0.9	0.4
Cash and Cash Equivalents at Beginning of Period	3.1	2.9
Cash and Cash Equivalents at End of Period	<u>\$ 4.0</u>	<u>\$ 3.3</u>
<b>SUPPLEMENTARY INFORMATION</b>		
Cash Paid for Interest, Net of Capitalized Amounts	\$ 78.2	\$ 79.0
Net Cash Paid for Income Taxes	178.0	24.1
Noncash Acquisitions Under Capital Leases	2.4	2.1
Construction Expenditures Included in Current Liabilities as of September 30,	30.0	30.2

See Condensed Notes to Condensed Financial Statements of Registrants beginning on page 113.

**AEP SYSTEM AMENDED AND RESTATED  
UTILITY MONEY POOL AGREEMENT**

This AMENDED AND RESTATED UTILITY MONEY POOL AGREEMENT ("Agreement") is made and entered into this 9<sup>th</sup> day of December, 2004 by and among American Electric Power Company, Inc., a New York corporation ("AEP"), AEP Utilities Inc., a Delaware corporation ("AEP Utilities"), both registered holding companies under the Public Utility Holding Company Act of 1935, as amended (the "Act"), American Electric Power Service Corporation ("AEPSC"), a New York corporation and a nonutility subsidiary of AEP (in its role as administrative agent and as a participant in the Utility Money Pool), AEP Utility Funding LLC, a Delaware limited liability company ("AEPUF"), and certain of the direct or indirect subsidiaries of AEP, each of which are signatories hereto and participants in the AEP Utility Money Pool ("Participants"), or which subsequently become signatories hereto and agree to abide by the terms herein. (All of the above are referred to as a Party or Parties to this Agreement).

WHEREAS, the following entities are each a direct or indirect subsidiary of AEP, and a Participant in the AEP Utility Money Pool (collectively referred to herein as "Operating Companies"):

AEP Generating Company  
AEP Texas Central Company  
AEP Texas North Company  
Appalachian Power Company  
Columbus Southern Power Company  
Indiana Michigan Power Company  
Kentucky Power Company  
Kingsport Power Company  
Ohio Power Company  
Public Service Company Of Oklahoma  
Southwestern Electric Power Company  
Wheeling Power Company

And

WHEREAS, in addition to the Operating Companies, the following are Participants in the AEP Utility Money Pool:

American Electric Power Service Corporation  
Blackhawk Coal Company  
Cedar Coal Company  
Central Appalachian Coal Company  
Central Coal Company  
Colomet, Inc.  
Conesville Coal Preparation Company  
Dolet Hills Lignite Company, LLC

Franklin Real Estate Company  
Indiana Franklin Reality, Inc.  
Simco, Inc.  
Southern Appalachian Coal Company

WHEREAS, the Participants from time to time have need to borrow funds on a short-term basis; and

WHEREAS, some of the Parties from time to time are expected to have funds available to loan on a short-term basis; and

WHEREAS, AEP and the Parties have established a pool (the "Utility Money Pool") to coordinate and provide for certain of the Participants' short-term cash requirements;

WHEREAS, AEPUF has been formed to fund the Utility Money Pool; and

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

## ARTICLE I CONTRIBUTIONS AND BORROWINGS

### Section 1.1. Contributions to the Utility Money Pool.

American Electric Power Service Corporation ("AEPSC") shall act as administrative agent of the Utility Money Pool. Each Participant, AEP, AEP Utilities, and AEPUF will determine on a daily basis, the amount of funds it has available for contribution to the Utility Money Pool. The determination of whether a Party at any time has surplus funds, or shall lend such funds to the Utility Money Pool, will be made by such Party's treasurer, any assistant treasurer, or by a designee thereof, on the basis of cash flow projections and other relevant factors, in such Party's sole discretion. Each Party may withdraw any of its funds at any time upon notice to AEPSC.

### Section 1.2 Rights to Borrow.

(a) Subject to the provisions of Section 1.4(b) of this Agreement, all short-term borrowing needs of the Participants may be met by funds in the Utility Money Pool to the extent such funds are available. Each Participant shall have the right to borrow from the Utility Money Pool from time to time, subject to the availability of funds and the limitations and conditions set forth herein and in the applicable orders of the Securities and Exchange Commission ("SEC") and other regulatory authorities. Each Participant may request loans from the Utility Money Pool from time to time during the period from the date hereof until this Agreement is terminated by written agreement of the Parties; provided, however, that the aggregate amount of all loans requested by any Participant hereunder shall not exceed the applicable borrowing limits set forth in applicable orders of the SEC and other regulatory authorities, resolutions of such Board of

Directors, such Party's governing corporate documents, and agreements binding upon such Party. No Participant shall be obligated to borrow from the Utility Money Pool if lower cost funds can be obtained from its own external borrowing.

(b) Neither AEP, AEP Utilities nor AEPUF will borrow funds from the Utility Money Pool or any Participant. Participants in the Utility Money Pool will not engage in lending and borrowing transactions with participants in the Nonutility Money Pool. The Utility Money Pool will not borrow from the Nonutility Money Pool.

### Section 1.3 Source of Funds.

- (a) AEPSC administers the Utility Money Pool by matching up, to the extent possible, short-term cash surpluses and loan requirements of the various Participants. Participants' requests for short-term loans are met first from surplus funds of other Participants which are available to the Utility Money Pool. To the extent the Participant contributions of surplus funds to the Utility Money Pool are insufficient to meet Participant requests for short-term loans, AEP or AEP Utilities may contribute corporate funds to the extent available or borrowings may be made from external sources. Funds will be made available from such sources in such other order as AEPSC, as administrator of the Utility Money Pool, may determine will result in a lower cost of borrowing to companies borrowing from the Utility Money Pool, consistent with the individual borrowing needs and financial standing of the Parties providing funds to the Utility Money Pool.
- (b) External borrowings may be made by AEP, AEP Utilities, Inc., or AEPUF, each individually, a Lending Party, collectively Lending Parties, from the sale of commercial paper notes and/or other instruments authorized by the SEC, and/or bank borrowings ("External Funds"), the proceeds of which would be added to the Utility Money Pool, in each case to the extent permitted by applicable laws and regulatory orders. All debt issued in connection with the Utility Money Pool will be unsecured. External borrowings by AEP, AEP Utilities, or AEPUF will not be made unless there are no surplus funds in the treasuries of the Participants sufficient to meet borrowing needs. If it is determined that AEP can borrow money at a cheaper rate than AEPUF can, then AEP will fund the Utility Money Pool directly.
- (c) Each borrowing Participant will borrow pro rata from each fund source in the same proportion that the amount of funds provided from that fund source bears to the total amount of short-term funds available to the Utility Money Pool. On any day, when more than one fund source (e.g., surplus treasury funds of AEP, AEP Utilities or other Utility Money Pool participants ("Internal Funds") and External Funds), with different rates of interest, is used to fund loans through the Utility Money Pool, each borrowing party will borrow pro rata from each fund source in the same proportion that the amount of funds provided by that fund source bears to the total amount of short-term funds available to the Utility Money Pool.



#### Section 1.4 Authorization.

(a) The determination of whether a Participant or a Lending Party has at any time surplus funds to lend to the Utility Money Pool will be made by its treasurer, any assistant treasurer, or by a designee thereof.

(b) Any loan from the Utility Money Pool to a Participant shall be authorized by the borrowing Participant's treasurer, any assistant treasurer, or by a designee thereof. No Party shall be required to effect a borrowing through the Utility Money Pool if such Participant determines that it can (and is authorized to) effect such borrowing at lower cost through the sale of its own commercial paper or other instruments, or borrowing directly from banks.

#### Section 1.5 Investment of Investment Pool Funds.

Funds which are loaned from Participants into the Utility Money Pool which are not required to satisfy borrowing needs of other Participants ("Investment Pool") will be invested on the behalf of the Lending Parties in one or more short-term instruments ("External Investments"), including (i) interest-bearing accounts with banks; (ii) obligations issued or guaranteed by the U.S. government and/or its agencies and instrumentalities, including obligations under repurchase agreements; (iii) obligations issued or guaranteed by any state or political subdivision thereof, provided that such obligations are rated not less than "A" by a nationally recognized rating agency; (iv) commercial paper rated not less than "A-1" or "P-1" or their equivalent by a nationally recognized rating agency; (v) money market funds; (vi) bank certificates of deposit, (vii) Eurodollar funds; (viii) short-term debt securities rated AA or above by Standard & Poor's, Aa or above by Moody's Investors Service, or AA or above by Fitch Ratings; (ix) short-term debt securities issued or guaranteed by an entity rated AA or above by Standard & Poor's, Aa or above by Moody's Investors Service, or AA or above by Fitch Ratings; and (x) such other investments as are permitted by Section 9(c) of the Act and Rule 40 thereunder.

No funds from the Utility Money Pool will be invested in EWG's or FUCO's.

#### Section 1.6 Utility Money Pool Interest.

The interest rate applicable on any day to then outstanding loans through the Utility Money Pool, whether or not evidenced by a promissory demand note, will be the composite weighted average daily effective cost incurred by the Lending Parties for External Funds outstanding on that date. If there are no External Funds outstanding on that date, then the rate would be the certificate of deposit yield equivalent of the 30-day Federal Reserve "A2/P2" Non-Financial Commercial Paper Composite Rate (the "Composite"), or if no Composite is established for that day, then the applicable rate will be the Composite for the next preceding day for which a composite is established.

If the Composite shall cease to exist, then the rate would be the composite which then most closely resembles the Composite and/or most closely mirrors the pricing the Lending Parties would expect if it had External Funds.

### Section 1.7 Investment Pool Interest.

Interest income related to External Investments will be calculated daily and allocated back to Participants on the basis of their relative contribution to the Investment Pool funds on that date.

### Section 1.8 Repayment.

Each Participant receiving a loan hereunder shall repay the principal amount of such loan, together with all interest accrued thereon, on demand and in any event not later than the expiration date of SEC authorization for the operation of the Utility Money Pool. All loans made through the Utility Money Pool may be prepaid by the borrower without premium or penalty.

### Section 1.9 Form of Loans to Participants.

Loans to the Participants through the Utility Money Pool will be made pursuant to open-account advances, although any AEPUF or Participant would at all times be entitled to receive upon request a promissory note evidencing the transaction. Any such note shall: (a) be substantially in the form attached herewith as Exhibit A; (b) be dated as of the date of the initial borrowing; (c) mature on demand or on a date mutually agreed to by the Parties to the transaction, but in any event not later than the expiration date of the SEC authorization for the operation of the Utility Money Pool; and (d) be repayable in whole at any time or in part from time to time, without premium or penalty.

## **ARTICLE II OPERATION OF THE UTILITY MONEY POOL**

### Section 2.1 Operation.

Operation of the Utility Money Pool, including record keeping and coordination of loans, will be handled by AEPSC under the authority of the treasurer or any assistant treasurer of AEP and/or AEPSC. AEPSC shall be responsible for the determination of all applicable interest rates and charges to be applied to any loans from the Utility Money Pool and earnings to be applied to any loans to the Utility Money Pool and/or Investment Pool outstanding at any time hereunder, shall maintain records of all advances, interest charges and accruals and interest and principal payments for purposes hereof, and shall prepare periodic reports thereof for the Parties. Services rendered by AEPSC will be "at cost" in accordance with rules of the SEC.

### Section 2.2 Certain Costs.

The cost of fees and/or compensating balances paid to banks to maintain credit lines will be allocated to the Participants on the basis of relative maximum non-coincidental borrowings of the Participants.

### Section 2.3 Event of Default.

If any Participant shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors, or any proceeding shall be instituted by or against any Participant seeking to adjudicate it a bankrupt or insolvent, then AEPSC, on behalf of the Utility Money Pool, may, by notice to the Participant, terminate the Utility Money Pool's commitment to the Participant and/or declare the unpaid principal amount of any loans to such Participant, and all interest thereon, to be forthwith due and payable and all such amounts shall forthwith become due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Participant.

## **ARTICLE III AEP UTILITIES FUNDING LLC**

### Section 3.1 AEPUF.

AEPUF is a special purpose financing conduit, formed to fund the Utility Money Pool. AEPUF may obtain funds from external sources or from AEP or AEP Utilities. AEP, AEP Utilities and the Operating Companies are also authorized to fund the Utility Money Pool through the issuance of short-term debt. AEPUF will have a separate bank account for all Utility Money Pool funds. AEPUF may issue commercial paper or other short-term debt for the benefit of the Utility Money Pool participants and will lend cash proceeds of the issuance of commercial paper to each Participant as said Participant's needs are identified. When AEPUF directly issues commercial paper to dealers to fund the Utility Money Pool, each Operating Company that borrows from AEPUF must maintain comparable debt ratings equal to or greater than AEPUF and maintain requisite backup facilities with one or more financial institutions.

### Section 3.2 Loans.

AEPUF shall provide the cash proceeds of each issuance of commercial paper or other short-term debt to the Utility Money Pool. The proceeds of borrowings by AEPUF will not be loaned to AEP or AEP Utilities. The proceeds of the borrowings of AEPUF will be used to repay AEPUF's borrowings or be invested to continue funding the Utility Money Pool.

### Section 3.3 Several Liability.

It is expressly agreed that the obligations of each Participant to AEPUF are several and not joint and, subject to paragraph 3.4 below, that each Participant shall not be responsible to AEPUF or any assignee or creditor of AEPUF for any payment in excess of payments due under any Participant's outstanding note and its pro rata share of other expenses and administrative costs of AEPUF in connection with its funding of the Utility Money Pool. No Participant will be liable for the borrowings of any other affiliate under the Utility Money Pool.

### Section 3.4 Placement Agents.

(a) As a condition precedent to each commercial paper dealer and placement agent (each, a "Placement Agent") entering into a dealer or placement agreement with AEPUF (each such agreement, a "Placement Agreement"), each Participant agrees: (i) to pay all costs, expenses, liabilities, losses and damages, including liabilities in respect of the AEPUF's indemnification obligations under the Placement Agreements (collectively, the "Liabilities") which it may incur relating to the offer and sale of AEPUF's commercial paper, the proceeds of which were used to make any loan to such Participant under this agreement, and (ii) to pay its Pro Rata Share of all other Liabilities which AEPUF may incur other than any such Liability which relates to the offer and sale of AEPUF's commercial paper the proceeds of which were used to make any loan to any other participant in the Utility Money Pool in respect of which such other affiliate is obligated to pay the full amount of such Liability. As used herein the term "Pro Rata Share" of any Liability shall mean an amount equal to the product of such Liability and a fraction expressed as a percentage (x) the numerator of which is the average outstanding loans made to the Participant during the period from the date which is three years prior to the date such Liability is due and payable to the date such Liability is due and payable (the "Determination Period"), and (y) the denominator of which is the average aggregate outstanding loans made during the Determination Period to the Participant and all other Participants which received loans from AEPUF and which are obligated to pay such Liability in accordance with this provision.

(b) Each Participant and AEPUF hereby acknowledge and agree that each Placement Agent is a third-party beneficiary of this Article III and is entitled to the benefits of the obligations of each separate Participant contained in this Article III and is entitled to bring any action to enforce such obligations directly against the separate Participant. In the case of any specific Liability arising out of or in connection with the Placement Agreement, each Participant shall pay the amount of such Participant's Liability directly to such Placement Agent or as the Placement Agent directs.

(c) This Article III shall not be amended or modified without the prior written consent of each Placement Agent. The agreements and obligations of each of the Participants set forth in this Article III shall survive the termination of this Agreement.

## **ARTICLE IV MISCELLANEOUS**

### Section 4.1 Amendments.

No amendment to this Agreement shall be effective unless the same be in writing and signed by all Parties thereto.

Section 4.2 Legal Responsibility.

Nothing herein contained shall render AEP or any Party liable for the obligations of any other Party(ies) hereunder and the rights, obligations and liabilities of AEP and the Parties are several in accordance with their respective obligations, and not joint.

Section 4.3 Governing Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the undersigned Parties have duly caused this document to be signed on their behalf on the date first written above by the undersigned thereunto duly authorized.

**AMERICAN ELECTRIC POWER COMPANY, INC.**

**and**

**AEP UTILITIES, INC.**

**AEP UTILITY FUNDING LLC**

**AMERICAN ELECTRIC POWER SERVICE CORPORATION, as  
Agent and Participant**

**Participants:**

**AEP GENERATING COMPANY  
AEP TEXAS CENTRAL COMPANY  
AEP TEXAS NORTH COMPANY  
APPALACHIAN POWER COMPANY  
COLUMBUS SOUTHERN POWER COMPANY  
INDIANA MICHIGAN POWER COMPANY  
KENTUCKY POWER COMPANY  
KINGSPORT POWER COMPANY  
OHIO POWER COMPANY  
PUBLIC SERVICE COMPANY OF OKLAHOMA  
SOUTHWESTERN ELECTRIC POWER COMPANY  
WHEELING POWER COMPANY**

**BLACKHAWK COAL COMPANY  
CEDAR COAL COMPANY  
CENTRAL APPALACHIAN COAL COMPANY  
CENTRAL COAL COMPANY  
COLOMET, INC.  
CONESVILLE COAL PREPARATION COMPANY  
DOLET HILLS LIGNITE COMPANY, LLC  
FRANKLIN REAL ESTATE COMPANY  
INDIANA FRANKLIN REALTY, INC.  
SIMCO, INC.  
SOUTHERN APPALACHIAN COAL COMPANY**

By: Wendy A. Hargus

Assistant Treasurer of each  
of the above-listed companies.

**FORM OF UTILITY MONEY POOL NOTE  
TO BE EXECUTED BY BORROWING PARTIES  
TO AEP OR OTHER PARTIES**

\_\_\_\_\_, 20\_\_

FOR VALUE RECEIVED, the undersigned, \_\_\_\_\_ (the "Borrower"), hereby promises to pay to the order of \_\_\_\_\_ (the "Lender") at its principal office in \_\_\_\_\_, on demand or on \_\_\_\_\_, 20\_\_, or at the option of the Borrower, whichever first occurs, but in any event not later than the expiration date of the SEC authorization for the operation of the Utility Money Pool, the principal sum set forth on the attachment hereto as "Principal Amount Outstanding." This note may be paid in full at any time or in part from time to time without premium or penalty. The Principal Amount Outstanding shall bear interest at the composite weighted average daily effective cost incurred by the Lending Parties for External Funds outstanding on that date. If there are no External Funds outstanding on that date, then the rate would be the CD yield equivalent of the 30-day Federal Reserve "A2/P2" Non-Financial Commercial Paper Composite Rate (the "Composite"), or if no Composite is established for that day, then the applicable rate will be the Composite for the next preceding day for which a Composite is established.

This Note shall be governed by, and construed and interpreted in accordance with, the Laws of the State of New York.

IN WITNESS WHEREOF, the undersigned, pursuant to due authorization, has caused this Note to be executed in its name and on its behalf by its duly authorized officer.

\_\_\_\_\_  
(Name of Borrower)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_





**AMENDMENT NO. 1  
TO  
AEP SYSTEM AMENDED AND RESTATED  
UTILITY MONEY POOL AGREEMENT**

This Amendment No. 1 to the AMENDED AND RESTATED UTILITY MONEY POOL AGREEMENT ("Agreement") is made and entered into this 6<sup>th</sup> day of May, 2011 by and among American Electric Power Company, Inc., a New York corporation ("AEP"), AEP Utilities Inc., a Delaware corporation ("AEP Utilities"), both registered holding companies, American Electric Power Service Corporation ("AEPSC"), a New York corporation and a nonutility subsidiary of AEP (in its role as administrative agent and as a participant in the Utility Money Pool), AEP Utility Funding LLC, a Delaware limited liability company ("AEPUF"), and certain of the direct or indirect subsidiaries of AEP, each of which are signatories hereto and participants in the AEP Utility Money Pool ("Participants"), or which subsequently become signatories hereto and agree to abide by the terms herein. (All of the above are referred to as a Party or Parties to this Agreement).

WHEREAS, the following entities are each a direct or indirect subsidiary of AEP, and a Participant in the AEP Utility Money Pool (collectively referred to herein as "Operating Companies"):

AEP Generating Company  
AEP Texas Central Company  
AEP Texas North Company  
Appalachian Power Company  
Columbus Southern Power Company  
Indiana Michigan Power Company  
Kentucky Power Company  
Kingsport Power Company  
Ohio Power Company  
Public Service Company of Oklahoma  
Southwestern Electric Power Company  
Wheeling Power Company

And

WHEREAS, in addition to the Operating Companies, the following are Participants in the AEP Utility Money Pool:

American Electric Power Service Corporation  
Blackhawk Coal Company  
Cedar Coal Company  
Central Appalachian Coal Company  
Central Coal Company  
Conesville Coal Preparation Company  
Dolet Hills Lignite Company, LLC  
Franklin Real Estate Company

Indiana Franklin Reality, Inc.  
Southern Appalachian Coal Company

WHEREAS, AEP and the Parties have established a pool (the "Utility Money Pool") to coordinate and provide for certain of the Participants' short-term cash requirements;

WHEREAS, AEPUF has been formed to fund the Utility Money Pool;

WHEREAS, the following entities are indirect subsidiaries of AEP and will own, operate, manage and control facilities in their respective states for the transmission of electricity at wholesale to its customers (collectively, the "Transcos"):

AEP Ohio Transmission Company, Inc., an Ohio corporation, and  
AEP Oklahoma Transmission Company, Inc., an Oklahoma corporation;

WHEREAS, each of the Transcos, has been deemed a "public utility" for FERC purposes and will be regulated by the state utility commissions in the states where they operate and therefore are deemed "public utilities" for purposes of inclusion in the Agreement;

WHEREAS, each of the Transcos desires to become a party to the Agreement; and

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

1. The Agreement is hereby amended to provide that each of the Transcos listed below is hereby accepted as a Participant in the Agreement.

2. Each of the following Transcos hereby elects to become a Participant in the AEP System Utility Money Pool and hereby agrees to be bound by the terms and conditions of the Agreement:

AEP Ohio Transmission Company, Inc.  
AEP Oklahoma Transmission Company, Inc.

IN WITNESS WHEREOF, the undersigned Parties have duly caused this document to be signed on their behalf on the date first written above by the undersigned thereunto duly authorized.

**AMERICAN ELECTRIC POWER COMPANY, INC.**

**and**

**AEP UTILITIES, INC.**

**AEP UTILITY FUNDING LLC**

**AMERICAN ELECTRIC POWER SERVICE CORPORATION, as  
Agent and Participant**

**Current Participants:**

AEP GENERATING COMPANY  
AEP TEXAS CENTRAL COMPANY  
AEP TEXAS NORTH COMPANY  
APPALACHIAN POWER COMPANY  
COLUMBUS SOUTHERN POWER COMPANY  
INDIANA MICHIGAN POWER COMPANY  
KENTUCKY POWER COMPANY  
KINGSPORT POWER COMPANY  
OHIO POWER COMPANY  
PUBLIC SERVICE COMPANY OF OKLAHOMA  
SOUTHWESTERN ELECTRIC POWER COMPANY  
WHEELING POWER COMPANY

BLACKHAWK COAL COMPANY  
CEDAR COAL COMPANY  
CENTRAL APPALACHIAN COAL COMPANY  
CENTRAL COAL COMPANY  
CONESVILLE COAL PREPARATION COMPANY  
DOLET HILLS LIGNITE COMPANY, LLC  
FRANKLIN REAL ESTATE COMPANY  
INDIANA FRANKLIN REALTY, INC.  
SOUTHERN APPALACHIAN COAL COMPANY

By: Charles E. Zibule  
Treasurer of each  
of the above-listed companies.

**Newly Added Participants:**

**AEP OHIO TRANSMISSION COMPANY, INC.  
AEP OKLAHOMA TRANSMISSION COMPANY, INC.**

By: Charles E. Zibule  
Treasurer of each  
of the above-listed companies.

**AMENDMENT NO. 2  
TO  
AEP SYSTEM AMENDED AND RESTATED  
UTILITY MONEY POOL AGREEMENT**

This Amendment No. 2 to the AMENDED AND RESTATED UTILITY MONEY POOL AGREEMENT ("Agreement") is made and entered into this 14<sup>th</sup> day of November, 2011 by and among American Electric Power Company, Inc., a New York corporation ("AEP"), AEP Utilities Inc., a Delaware corporation ("AEP Utilities"), American Electric Power Service Corporation ("AEPSC"), a New York corporation and a nonutility subsidiary of AEP (in its role as administrative agent and as a participant in the Utility Money Pool), AEP Utility Funding LLC, a Delaware limited liability company ("AEPUF"), and certain of the direct or indirect subsidiaries of AEP, each of which are signatories hereto and participants in the AEP Utility Money Pool ("Participants"), or which subsequently become signatories hereto and agree to abide by the terms herein. (All of the above are referred to as a Party or Parties to this Agreement).

WHEREAS, the following entities are each a direct or indirect subsidiary of AEP, and a Participant in the AEP Utility Money Pool (collectively referred to herein as "Operating Companies"):

AEP Generating Company  
AEP Texas Central Company  
AEP Texas North Company  
Appalachian Power Company  
Columbus Southern Power Company  
Indiana Michigan Power Company  
Kentucky Power Company  
Kingsport Power Company  
Ohio Power Company  
Public Service Company of Oklahoma  
Southwestern Electric Power Company  
Wheeling Power Company

And

WHEREAS, in addition to the Operating Companies, the following are Participants in the AEP Utility Money Pool:

AEP Ohio Transmission Company, Inc.  
AEP Oklahoma Transmission Company, Inc.  
American Electric Power Service Corporation  
Blackhawk Coal Company  
Cedar Coal Company  
Central Appalachian Coal Company  
Central Coal Company  
Conesville Coal Preparation Company

Dolet Hills Lignite Company, LLC  
Franklin Real Estate Company  
Indiana Franklin Reality, Inc.  
Southern Appalachian Coal Company

WHEREAS, AEP and the Parties have established a pool (the "Utility Money Pool") to coordinate and provide for certain of the Participants' short-term cash requirements;

WHEREAS, AEPUF has been formed to fund the Utility Money Pool;

WHEREAS, the following entity is an indirect subsidiary of AEP and will own, operate, manage and control facilities in its respective state for the transmission of electricity at wholesale to its customers (the "Transco"):

AEP Indiana Michigan Transmission Company, Inc., an Indiana corporation;

WHEREAS, the Transco has been deemed a "public utility" for FERC purposes and will be regulated by the state utility commission in the state where it operates and therefore is deemed a "public utility" for purposes of inclusion in the Agreement;

WHEREAS, the Transco desires to become a party to the Agreement; and

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

1. The Agreement is hereby amended to provide that the Transco listed below is hereby accepted as a Participant in the Agreement.

2. The following Transco hereby elects to become a Participant in the AEP System Utility Money Pool and hereby agrees to be bound by the terms and conditions of the Agreement:

AEP Indiana Michigan Transmission Company, Inc.

IN WITNESS WHEREOF, the undersigned Parties have duly caused this document to be signed on their behalf on the date first written above by the undersigned thereunto duly authorized.

**AMERICAN ELECTRIC POWER COMPANY, INC.**

**and**

**AEP UTILITIES, INC.**

**AEP UTILITY FUNDING LLC**

**AMERICAN ELECTRIC POWER SERVICE CORPORATION, as  
Agent and Participant**

**Current Participants:**

AEP GENERATING COMPANY  
AEP TEXAS CENTRAL COMPANY  
AEP TEXAS NORTH COMPANY  
APPALACHIAN POWER COMPANY  
COLUMBUS SOUTHERN POWER COMPANY  
INDIANA MICHIGAN POWER COMPANY  
KENTUCKY POWER COMPANY  
KINGSPORT POWER COMPANY  
OHIO POWER COMPANY  
PUBLIC SERVICE COMPANY OF OKLAHOMA  
SOUTHWESTERN ELECTRIC POWER COMPANY  
WHEELING POWER COMPANY

AEP OHIO TRANSMISSION COMPANY, INC.  
AEP OKLAHOMA TRANSMISSION COMPANY, INC.  
BLACKHAWK COAL COMPANY  
CEDAR COAL COMPANY  
CENTRAL APPALACHIAN COAL COMPANY  
CENTRAL COAL COMPANY  
CONESVILLE COAL PREPARATION COMPANY  
DOLET HILLS LIGNITE COMPANY, LLC  
FRANKLIN REAL ESTATE COMPANY  
INDIANA FRANKLIN REALTY, INC.  
SOUTHERN APPALACHIAN COAL COMPANY

By: Charles E Zebala  
Treasurer of each  
of the above-listed companies.

**Newly Added Participant:**

**AEP Indiana Michigan Transmission Company, Inc.**

By: Charles E Zebala  
Treasurer of the above-listed company

**AMENDMENT NO. 3  
TO  
AEP SYSTEM AMENDED AND RESTATED  
UTILITY MONEY POOL AGREEMENT**

This Amendment No. 3 to the AMENDED AND RESTATED UTILITY MONEY POOL AGREEMENT ("Agreement") is made and entered into this 20<sup>th</sup> day of March, 2013 by and among American Electric Power Company, Inc., a New York corporation ("AEP"), AEP Utilities Inc., a Delaware corporation ("AEP Utilities"), American Electric Power Service Corporation ("AEPSC"), a New York corporation and a nonutility subsidiary of AEP (in its role as administrative agent and as a participant in the Utility Money Pool), AEP Utility Funding LLC, a Delaware limited liability company ("AEPUF"), and certain of the direct or indirect subsidiaries of AEP, each of which are signatories hereto and participants in the AEP Utility Money Pool ("Participants"), or which subsequently become signatories hereto and agree to abide by the terms herein. (All of the above are referred to as a Party or Parties to this Agreement).

WHEREAS, the following entities are each a direct or indirect subsidiary of AEP, and a Participant in the AEP Utility Money Pool (collectively referred to herein as "Operating Companies"):

AEP Generating Company  
AEP Texas Central Company  
AEP Texas North Company  
Appalachian Power Company  
Indiana Michigan Power Company  
Kentucky Power Company  
Kingsport Power Company  
Ohio Power Company  
Public Service Company of Oklahoma  
Southwestern Electric Power Company  
Wheeling Power Company

And

WHEREAS, in addition to the Operating Companies, the following are Participants in the AEP Utility Money Pool:

AEP Indiana Michigan Transmission Company, Inc.  
AEP Ohio Transmission Company, Inc.  
AEP Oklahoma Transmission Company, Inc.  
American Electric Power Service Corporation  
Blackhawk Coal Company  
Cedar Coal Company  
Central Appalachian Coal Company  
Central Coal Company  
Conesville Coal Preparation Company



Dolet Hills Lignite Company, LLC  
Franklin Real Estate Company  
Indiana Franklin Realty, Inc.  
Southern Appalachian Coal Company

WHEREAS, AEP and the Parties have established a pool (the "Utility Money Pool") to coordinate and provide for certain of the Participants' short-term cash requirements;

WHEREAS, AEPUF has been formed to fund the Utility Money Pool;

WHEREAS, the following entities are indirect subsidiaries of AEP and will own, operate, manage and control facilities in their respective states for the transmission of electricity at wholesale to their customers (collectively, the "Transcos"):

AEP Appalachian Transmission Company, Inc., a Virginia corporation;  
AEP West Virginia Transmission Company, Inc., a West Virginia corporation;

WHEREAS, each of the Transcos has been deemed a "public utility" for FERC purposes and will be regulated by the state utility commission in the state where each operates and therefore is deemed a "public utility" for purposes of inclusion in the Agreement; and

WHEREAS, the Transcos desire to become a party to the Agreement;

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

1. The Agreement is hereby amended to provide that each of the Transcos listed below is hereby accepted as a Participant in the Agreement.

2. Each of the following Transcos hereby elects to become a Participant in the AEP System Utility Money Pool and hereby agrees to be bound by the terms and conditions of the Agreement:

AEP Appalachian Transmission Company, Inc.<sup>1</sup>  
AEP West Virginia Transmission Company, Inc.

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<sup>1</sup> The participation of AEP Appalachian Transmission Company, Inc. in the Utility Money Pool is subject to the terms of the orders of the Virginia State Corporation Commission entered February 27, 2012, and May 3, 2012, in Case No. PUE-2011-00125.

IN WITNESS WHEREOF, the undersigned Parties have duly caused this document to be signed on their behalf on the date first written above by the undersigned thereunto duly authorized.

**AMERICAN ELECTRIC POWER COMPANY, INC.**

**and**

**AEP UTILITIES, INC.**

**AEP UTILITY FUNDING LLC**

**AMERICAN ELECTRIC POWER SERVICE CORPORATION, as  
Agent and Participant**

**Current Participants:**

**AEP GENERATING COMPANY  
AEP TEXAS CENTRAL COMPANY  
AEP TEXAS NORTH COMPANY  
APPALACHIAN POWER COMPANY  
INDIANA MICHIGAN POWER COMPANY  
KENTUCKY POWER COMPANY  
KINGSPORT POWER COMPANY  
OHIO POWER COMPANY  
PUBLIC SERVICE COMPANY OF OKLAHOMA  
SOUTHWESTERN ELECTRIC POWER COMPANY  
WHEELING POWER COMPANY**

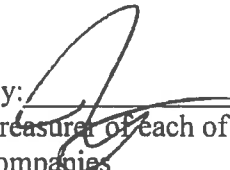
**AEP INDIANA MICHIGAN TRANSMISSION COMPANY, INC.  
AEP OHIO TRANSMISSION COMPANY, INC.  
AEP OKLAHOMA TRANSMISSION COMPANY, INC.  
BLACKHAWK COAL COMPANY  
CEDAR COAL COMPANY  
CENTRAL APPALACHIAN COAL COMPANY  
CENTRAL COAL COMPANY  
CONESVILLE COAL PREPARATION COMPANY  
DOLET HILLS LIGNITE COMPANY, LLC  
FRANKLIN REAL ESTATE COMPANY  
INDIANA FRANKLIN REALTY, INC.  
SOUTHERN APPALACHIAN COAL COMPANY**

By: 

Treasurer of each  
of the above-listed companies.

**Newly Added Participants:**

**AEP Appalachian Transmission Company, Inc.  
AEP West Virginia Transmission Company, Inc.**

By:   
Treasurer of each of the above-listed  
companies

**AMENDMENT NO. 4  
TO  
AEP SYSTEM AMENDED AND RESTATED  
UTILITY MONEY POOL AGREEMENT**

This Amendment No. 4 to the AMENDED AND RESTATED UTILITY MONEY POOL AGREEMENT ("Agreement") is made and entered into this 14<sup>th</sup> day of November, 2013 by and among American Electric Power Company, Inc., a New York corporation ("AEP"), AEP Utilities Inc., a Delaware corporation ("AEP Utilities"), American Electric Power Service Corporation ("AEPSC"), a New York corporation and a nonutility subsidiary of AEP (in its role as administrative agent and as a participant in the Utility Money Pool), AEP Utility Funding LLC, a Delaware limited liability company ("AEPUF"), and certain of the direct or indirect subsidiaries of AEP, each of which are signatories hereto and participants in the AEP Utility Money Pool ("Participants"), or which subsequently become signatories hereto and agree to abide by the terms herein. (All of the above are referred to as a Party or Parties to this Agreement).

WHEREAS, the following entities are each a direct or indirect subsidiary of AEP, and a Participant in the AEP Utility Money Pool (collectively referred to herein as "Operating Companies"):

AEP Generating Company  
AEP Texas Central Company  
AEP Texas North Company  
Appalachian Power Company  
Indiana Michigan Power Company  
Kentucky Power Company  
Kingsport Power Company  
Ohio Power Company  
Public Service Company of Oklahoma  
Southwestern Electric Power Company  
Wheeling Power Company

And

WHEREAS, in addition to the Operating Companies, the following are Participants in the AEP Utility Money Pool:

AEP Appalachian Transmission Company, Inc.  
AEP Indiana Michigan Transmission Company, Inc.  
AEP Ohio Transmission Company, Inc.  
AEP Oklahoma Transmission Company, Inc.  
AEP West Virginia Transmission Company, Inc.  
American Electric Power Service Corporation  
Blackhawk Coal Company  
Cedar Coal Company  
Central Appalachian Coal Company

Central Coal Company  
Conesville Coal Preparation Company  
Dolet Hills Lignite Company, LLC  
Franklin Real Estate Company  
Indiana Franklin Reality, Inc.  
Southern Appalachian Coal Company

WHEREAS, AEP and the Parties have established a pool (the "Utility Money Pool") to coordinate and provide for certain of the Participants' short-term cash requirements;

WHEREAS, AEPUF has been formed to fund the Utility Money Pool;

WHEREAS, the following entity is an indirect subsidiary of AEP and will own, operate, manage and control facilities in its respective state for the transmission of electricity at wholesale to its customers (the "Transco"):

AEP Kentucky Transmission Company, Inc., a Kentucky corporation;

WHEREAS, the Transco has been deemed a "public utility" for FERC purposes and will be regulated by the state utility commission in the state where it operates and therefore is deemed a "public utility" for purposes of inclusion in the Agreement; and

WHEREAS, the Transco desires to become a party to the Agreement;

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

1. The Agreement is hereby amended to provide that the Transco listed below is hereby accepted as a Participant in the Agreement.

2. The following Transco hereby elects to become a Participant in the AEP System Utility Money Pool and hereby agrees to be bound by the terms and conditions of the Agreement:

AEP Kentucky Transmission Company, Inc.

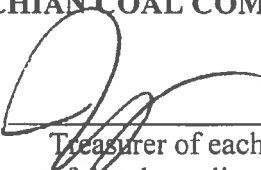
IN WITNESS WHEREOF, the undersigned Parties have duly caused this document to be signed on their behalf on the date first written above by the undersigned thereunto duly authorized.

**AMERICAN ELECTRIC POWER COMPANY, INC.**  
**and**  
**AEP UTILITIES, INC.**  
**AEP UTILITY FUNDING LLC**  
**AMERICAN ELECTRIC POWER SERVICE CORPORATION, as**  
**Agent and Participant**

**Current Participants:**

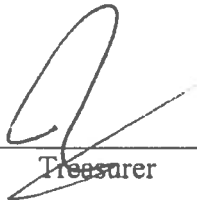
**AEP GENERATING COMPANY**  
**AEP TEXAS CENTRAL COMPANY**  
**AEP TEXAS NORTH COMPANY**  
**APPALACHIAN POWER COMPANY**  
**INDIANA MICHIGAN POWER COMPANY**  
**KENTUCKY POWER COMPANY**  
**KINGSPORT POWER COMPANY**  
**OHIO POWER COMPANY**  
**PUBLIC SERVICE COMPANY OF OKLAHOMA**  
**SOUTHWESTERN ELECTRIC POWER COMPANY**  
**WHEELING POWER COMPANY**

**AEP APPALACHIAN TRANSMISSION COMPANY, INC**  
**AEP INDIANA MICHIGAN TRANSMISSION COMPANY, INC.**  
**AEP OHIO TRANSMISSION COMPANY, INC.**  
**AEP OKLAHOMA TRANSMISSION COMPANY, INC.**  
**AEP WEST VIRGINIA TRANSMISSION COMPANY, INC**  
**BLACKHAWK COAL COMPANY**  
**CEDAR COAL COMPANY**  
**CENTRAL APPALACHIAN COAL COMPANY**  
**CENTRAL COAL COMPANY**  
**CONESVILLE COAL PREPARATION COMPANY**  
**DOLET HILLS LIGNITE COMPANY, LLC**  
**FRANKLIN REAL ESTATE COMPANY**  
**INDIANA FRANKLIN REALTY, INC.**  
**SOUTHERN APPALACHIAN COAL COMPANY**

By:   
Treasurer of each  
of the above-listed companies.

**Newly Added Participants:**

**AEP Kentucky Transmission Company, Inc.**

By:  \_\_\_\_\_  
Treasurer

**AMENDMENT NO. 5  
TO  
AEP SYSTEM AMENDED AND RESTATED  
UTILITY MONEY POOL AGREEMENT**

This Amendment No. 5 to the AMENDED AND RESTATED UTILITY MONEY POOL AGREEMENT ("Agreement") is made and entered into this 24th day of February, 2016 by and among American Electric Power Company, Inc., a New York corporation ("AEP"), AEP Utilities Inc., a Delaware corporation ("AEP Utilities"), American Electric Power Service Corporation ("AEPSC"), a New York corporation and a nonutility subsidiary of AEP (in its role as administrative agent of the Utility Money Pool), AEP Utility Funding LLC, a Delaware limited liability company ("AEPUF"), and certain of the direct or indirect subsidiaries of AEP, each of which are signatories hereto and participants in the AEP Utility Money Pool ("Participants"), or which subsequently become signatories hereto and agree to abide by the terms herein. (All of the above are referred to as a Party or Parties to this Agreement).

WHEREAS, the following entities are each a direct or indirect subsidiary of AEP, and a Participant in the AEP Utility Money Pool (collectively referred to herein as "Operating Companies"):

AEP Generating Company  
AEP Texas Central Company  
AEP Texas North Company  
Appalachian Power Company  
Indiana Michigan Power Company  
Kentucky Power Company  
Kingsport Power Company  
Ohio Power Company  
Public Service Company of Oklahoma  
Southwestern Electric Power Company  
Wheeling Power Company

And

WHEREAS, in addition to the Operating Companies, the following are Participants in the AEP Utility Money Pool:

AEP Appalachian Transmission Company, Inc.  
AEP Indiana Michigan Transmission Company, Inc.  
AEP Kentucky Transmission Company, Inc.  
AEP Ohio Transmission Company, Inc.  
AEP Oklahoma Transmission Company, Inc.  
AEP West Virginia Transmission Company, Inc.  
American Electric Power Service Corporation  
Blackhawk Coal Company  
Cedar Coal Company  
Central Appalachian Coal Company



Central Coal Company  
Conesville Coal Preparation Company  
Dolet Hills Lignite Company, LLC  
Franklin Real Estate Company  
Indiana Franklin Realty, Inc.  
Southern Appalachian Coal Company

WHEREAS, AEP and the Parties have established a pool (the "Utility Money Pool") to coordinate and provide for certain of the Participants' short-term cash requirements;

WHEREAS, AEPUF has been formed to fund the Utility Money Pool;

WHEREAS, Section 4.1 of the AEP System Amended and Restated Utility Money Pool Agreement dated as of December 9, 2004 (the "Utility Money Pool Agreement"), provides that amendments may be made to the Utility Money Pool Agreement in writing and signed by all Parties thereto;

NOW, THEREFORE, the companies listed below hereby elect to withdraw as participants in the Utility Money Pool Agreement pursuant to the terms and conditions of the Utility Money Pool Agreement as of this 24th day of February, 2016:

American Electric Power Service Corporation <sup>1</sup>  
Conesville Coal Preparation Company  
Franklin Real Estate Company  
Indiana Franklin Realty

Collectively, the "Withdrawing Participants"

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

1. The Agreement is hereby amended to terminate the participation of the Withdrawing Participants as parties to the Agreement.

IN WITNESS WHEREOF, the undersigned Parties have duly caused this document to be signed on their behalf on the date first written above by the undersigned thereunto duly authorized.

**AMERICAN ELECTRIC POWER COMPANY, INC.**  
**and**  
**AEP UTILITIES, INC.**  
**AEP UTILITY FUNDING LLC**

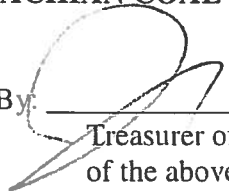
**Current Participants:**

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<sup>1</sup> American Electric Power Service Corporation retains its role as Administrative Agent

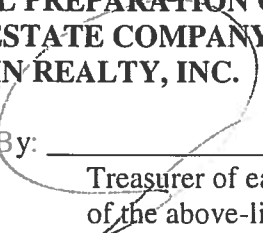
**AEP GENERATING COMPANY  
AEP TEXAS CENTRAL COMPANY  
AEP TEXAS NORTH COMPANY  
APPALACHIAN POWER COMPANY  
INDIANA MICHIGAN POWER COMPANY  
KENTUCKY POWER COMPANY  
KINGSPORT POWER COMPANY  
OHIO POWER COMPANY  
PUBLIC SERVICE COMPANY OF OKLAHOMA  
SOUTHWESTERN ELECTRIC POWER COMPANY  
WHEELING POWER COMPANY**

**AEP APPALACHIAN TRANSMISSION COMPANY, INC.  
AEP INDIANA MICHIGAN TRANSMISSION COMPANY, INC.  
AEP KENTUCKY TRANSMISSION COMPANY, INC.  
AEP OHIO TRANSMISSION COMPANY, INC.  
AEP OKLAHOMA TRANSMISSION COMPANY, INC.  
AEP WEST VIRGINIA TRANSMISSION COMPANY, INC.  
BLACKHAWK COAL COMPANY  
CEDAR COAL COMPANY  
CENTRAL APPALACHIAN COAL COMPANY  
CENTRAL COAL COMPANY  
DOLET HILLS LIGNITE COMPANY, LLC  
SOUTHERN APPALACHIAN COAL COMPANY**

By:  \_\_\_\_\_  
Treasurer of each  
of the above-listed companies.

Withdrawing Participants:

**AMERICAN ELECTRIC POWER SERVICE CORPORATION  
CONESVILLE COAL PREPARATION COMPANY  
FRANKLIN REAL ESTATE COMPANY  
INDIANA FRANKLIN REALTY, INC.**

By:  \_\_\_\_\_  
Treasurer of each  
of the above-listed companies.

**AMENDMENT NO. 6  
TO  
AEP SYSTEM AMENDED AND RESTATED  
UTILITY MONEY POOL AGREEMENT**

This Amendment No. 6 to the AMENDED AND RESTATED UTILITY MONEY POOL AGREEMENT ("Agreement") is made and entered into this 1<sup>st</sup> day of January, 2017 by and among American Electric Power Company, Inc., a New York corporation ("AEP"), AEP Texas Inc., a Delaware corporation ("AEP Texas") (formerly known as AEP Utilities, Inc. ("AEP Utilities")), American Electric Power Service Corporation ("AEPSC"), a New York corporation and a nonutility subsidiary of AEP (in its role as administrative agent), AEP Utility Funding LLC, a Delaware limited liability company ("AEPUF"), and certain of the direct or indirect subsidiaries of AEP, each of which are signatories hereto and participants in the AEP Utility Money Pool ("Participants"), or which subsequently become signatories hereto and agree to abide by the terms herein. (All of the above are referred to as a Party or Parties to this Agreement).

WHEREAS, the following entities are each a direct or indirect subsidiary of AEP, and a Participant in the AEP Utility Money Pool (collectively referred to herein as "Operating Companies"):

AEP Generating Company  
AEP Texas Central Company  
AEP Texas North Company  
Appalachian Power Company  
Indiana Michigan Power Company  
Kentucky Power Company  
Kingsport Power Company  
Ohio Power Company  
Public Service Company of Oklahoma  
Southwestern Electric Power Company  
Wheeling Power Company

And

WHEREAS, in addition to the Operating Companies, the following are Participants in the AEP Utility Money Pool:

AEP Appalachian Transmission Company, Inc.  
AEP Indiana Michigan Transmission Company, Inc.  
AEP Kentucky Transmission Company, Inc.  
AEP Ohio Transmission Company, Inc.  
AEP Oklahoma Transmission Company, Inc.  
AEP West Virginia Transmission Company, Inc.  
Blackhawk Coal Company  
Cedar Coal Company

Central Appalachian Coal Company  
Central Coal Company  
Dolet Hills Lignite Company, LLC  
Southern Appalachian Coal Company

WHEREAS, AEP and the Parties have established a pool (the "Utility Money Pool") to coordinate and provide for certain of the Participants' short-term cash requirements;

WHEREAS, AEPUF has been formed to fund the Utility Money Pool;

WHEREAS, AEP Texas Inc., a Delaware corporation, is a direct subsidiary of AEP and, and upon the effectiveness of the mergers with AEP Texas Central Company and AEP Texas North Company now owns, operates, manages and controls facilities in Texas for the distribution and transmission of electricity to its customers:

WHEREAS, AEP Texas is regulated by the state utility commission in the state where it operates and therefore is deemed a "public utility" for purposes of inclusion in the Agreement; and

WHEREAS, AEP Texas desires to become a party to the Agreement;

WHEREAS, AEP Utilities, in its non-participant capacity, hereby elects to withdraw in its non-participant capacity in the Utility Money Pool Agreement pursuant to the terms and conditions of the Utility Money Pool Agreement.

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

1. The Agreement is hereby amended to terminate the participation of the AEP Utilities, in its non-participant capacity, as a party to the Agreement.
2. The Agreement is hereby amended to delete references to AEP Utilities in its non-participant capacity.
3. The Agreement is hereby amended to provide that AEP Texas is hereby accepted as a Participant in the Agreement.
4. AEP Texas hereby elects to become a Participant in the AEP System Utility Money Pool and hereby agrees to be bound by the terms and conditions of the Agreement.

IN WITNESS WHEREOF, the undersigned Parties have duly caused this document to be signed on their behalf on the date first written above by the undersigned thereunto duly authorized.

**AMERICAN ELECTRIC POWER COMPANY, INC.**

**and**


**AEP UTILITY FUNDING LLC**

**AMERICAN ELECTRIC POWER SERVICE CORPORATION, as  
Agent**

**Current Participants:**

**AEP GENERATING COMPANY  
APPALACHIAN POWER COMPANY  
INDIANA MICHIGAN POWER COMPANY  
KENTUCKY POWER COMPANY  
KINGSPORT POWER COMPANY  
OHIO POWER COMPANY  
PUBLIC SERVICE COMPANY OF OKLAHOMA  
SOUTHWESTERN ELECTRIC POWER COMPANY  
WHEELING POWER COMPANY**

**AEP APPALACHIAN TRANSMISSION COMPANY, INC  
AEP INDIANA MICHIGAN TRANSMISSION COMPANY, INC.  
AEP OHIO TRANSMISSION COMPANY, INC.  
AEP OKLAHOMA TRANSMISSION COMPANY, INC.  
AEP WEST VIRGINIA TRANSMISSION COMPANY, INC  
BLACKHAWK COAL COMPANY  
CEDAR COAL COMPANY  
CENTRAL APPALACHIAN COAL COMPANY  
CENTRAL COAL COMPANY  
CONESVILLE COAL PREPARATION COMPANY  
DOLET HILLS LIGNITE COMPANY, LLC  
FRANKLIN REAL ESTATE COMPANY  
INDIANA FRANKLIN REALTY, INC.  
SOUTHERN APPALACHIAN COAL COMPANY**

By:   
Assistant Treasurer of each  
of the above-listed companies.

**Newly Added Participant:**

**AEP Texas Inc.**

By:   
Assistant Treasurer

**Withdrawing in Non-Participant Capacity:**

**AEP Utilities, Inc.**

By:   
Assistant Treasurer

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**2/28/2017 4:03:35 PM**

**in**

**Case No(s). 17-0157-EL-AIS**

Summary: Application In the matter of the Application of Ohio Power Company for authority to issue short-term notes and other evidences of indebtedness electronically filed by Ms. Donielle M Hunter on behalf of PUCO Staff