

AEP
Legal Department

American Electric Power
1 Riverside Plaza
Columbus OH 43215-2373
AEP.com

June 24, 2011

Chairman Todd A. Snitchler
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215-3793

**Re: PUCO Case Nos. 09-1872-EL-ACP
89-6003-EL-TRF**

Matthew J. Satterwhite
Senior Counsel –
(614) 716-1915 (P)
(614) 716-2014 (F)
mjsatterwhite@aep.com

Dear Chairman Snitchler:

In response to the Finding and Order of June 8, 2011 in Commission Case No. 09-1872-EL-ACP, approving Columbus Southern Power Company's ("CSP") renewable energy technology program ("Program"), please file the attached tariffs on behalf of CSP. These tariffs are effective upon final review and approval by the Commission, but CSP has placed July 1, 2011 as the intended effective date.

Please file one copy of the tariffs in Case No. 09-1872-EL-ACP, one copy of the tariffs in Case No. 89-6003-EL-TRF, and please also distribute two copies to the Rates and Tariffs, Energy and Water Division of the Utilities Department.

Also attached is a copy of the purchase agreement offer documents that will be used by CSP in the Program as directed in the Finding and Order.

CSP would like to assure the Commission that as part of the Program it has always been CSP's intention to: 1) assign a cost of zero to the RECs obtained from Program participants for the purpose of ultimately determining REC expenses, 2) ensure that the proceeds from any sale of RECs obtained from Program participants flow directly to the benefit of ratepayers, and 3) ensure that any refund obtained as a result of the non-performance of a Program participant flow directly to the benefit of ratepayers. These tariffs are also filed under the understanding that there is a cost recovery mechanism in place and will continue to be in place for the life of the program.

Sincerely,

//s/ Matthew J. Satterwhite

Matthew J. Satterwhite, Senior Counsel

Attachments

P U C O NO 7

RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER

Availability of Service

Available to customers taking electric service under the Company's standard service or open access distribution schedules that install a solar photovoltaic or wind energy system after July 1, 2011 and before June 30, 2013. Such systems must be located in the Company's service territory and have been certified as an Ohio Renewable Energy Resource Generating Facility by the Public Utilities Commission of Ohio

This Rider shall remain in effect until June 30, 2013, while agreements entered into under the program will extend beyond the effective period of the Rider.

Definitions

"Solar Photovoltaic" means energy from devices which generate electricity directly from sunlight through the movement of electrons.

"Wind Energy" means electricity generated from wind turbines, windmills, or other technology that converts wind into electricity

"Renewable Energy Certificate" ("REC") means a tradable unit that represents the commodity formed by unbundling the environmental attributes of a unit of renewable energy from the underlying electricity. One REC would be equivalent to the environmental attributes of one MWH of electricity from a renewable or environmentally friendly generation source

REC Purchase and Incentives

Customers taking service under this rider shall enter into a Renewable Energy Technology Program Agreement with the Company which contains all terms and conditions related to the Company's purchase of RECs and payment of an incentive. Copies of the Company's Renewable Energy Technology Program Agreement are available upon request or on the Company's website.

Pursuant to the Renewable Energy Technology Program Agreement, the Company will provide an incentive, as defined below, to qualifying customers provided that all requirements are met and funds are available within the annual funding caps.

| System Type | Customer Type | Incentive Amount | Minimum System Size | Maximum Incentive As a % of System Cost | Maximum Incentive per Customer | Annual Funding Cap |
|--------------------|-----------------|------------------|---------------------|---|--------------------------------|--------------------|
| Solar Photovoltaic | Residential | \$1 50/watt | 2 kW (dc) | 50% | \$12,000 | \$400 000 |
| | Non-Residential | \$1 50/watt | 10 kW (dc) | 50% | \$75,000 | \$600,000 |
| Wind | Residential | \$0 275/kWh | 3,000 kWh/year (ac) | 50% | \$7 500 | \$187,500 |
| | Non-Residential | \$0 275/kWh | 3,000 kWh/year (ac) | 40% | \$12,000 | \$62,500 |

(Continued on Sheet No. 88-2)

Filed pursuant to Order dated June 8, 2011 in Case No. 09-1872-EL-ACP

Issued: June 24, 2011

Effective: July 1, 2011

Issued by
Joseph Hamrock, President
AEP Ohio

P U C O NO 7

RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER

Conditions of Service

- 1 To receive the incentive amounts as specified above, the customer agrees to assign all of the RECs produced by the solar photovoltaic or wind energy system to the Company for 15 years from the date the facility is installed.
- 2 The Company's total funding for the Rider through June 30, 2013 is \$2.5 million with Annual Funding Caps as specified above.
- 3 For each System Type and Customer Type, any funds not awarded through June 30, 2012 will carry over and be available through June 30, 2013. Any funds not awarded by June 30, 2013 will not carry over beyond June 30, 2013. Any incentives must be awarded by June 30, 2013.
- 4 Applications will be processed and incentives will be awarded on a first-come, first-served basis, until the Company's funding is expended.
- 5 Only systems installed after July 1, 2011 are eligible to participate in this program.
- 6 Systems must be installed within six months after approval of the application or by June 30, 2013 if the application is made after December 31, 2012.
- 7 Unless stated otherwise in this Rider, all requirements of the respective NOFA #08-09 Renewable Energy Programs of the Ohio Department of Development – Ohio Energy Office will be enforced.
- 8 A utility grade meter capable of measuring kWh produced from the system must be installed for systems greater than 6 kW. Those systems 6 kW or below must meet PUCO approved means for measuring kWh production.
- 9 The customer must qualify for and take service under the Company's Schedule NEMS (Net Energy Metering Service).
- 10 The customer's system must be designed and installed to operate in parallel with the Company's system, through an interconnection agreement with the Company.
- 11 The system must be located on the same site where the customer's own electricity demand is located.
- 12 The customer must be the owner of the RECs.
- 13 The customer must secure PUCO certification as an Ohio Renewable Energy Resource Generating Facility for the system.
- 14 The customer will receive the incentive payment after the total system is installed and is in operation for 30 consecutive days.

(Continued on Sheet No. 88-3)

Filed pursuant to Order dated June 8, 2011 in Case No. 09-1872-EL-ACP

Issued: June 24, 2011

Effective: July 1, 2011

Issued by
Joseph Hamrock, President
AEP Ohio

P.U.C.O. NO 7

RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER

Conditions of Service (Cont'd)

15. The customer is responsible for providing monthly generator output readings to the Company and must complete an Annual Affidavit of Performance. The Company may also secure random readings for validation purposes.
16. If the system becomes inoperable for 90 days or if ownership of the property changes, the customer must refund to the Company a pro-rata amount of the incentive based upon the remaining term of the agreement.

This Rider will not modify the customer's bill for electric service under the applicable standard service schedule.

Special Terms and Conditions

This Rider is subject to the Company's Terms and Conditions of Service and all provisions of the standard service schedule under which the customer takes service.

Filed pursuant to Order dated June 8, 2011 in Case No. 09-1872-EL-ACP

Issued: June 24, 2011

Issued by
Joseph Hamrock, President
AEP Ohio

Effective: July 1, 2011

P U C O NO. 7

OAD-RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER
(Open Access Distribution – Renewable Energy Technology Program Rider)

Availability of Service

Available to customers taking electric service under the Company's standard service or open access distribution schedules that install a solar photovoltaic or wind energy system after July 1, 2011 and before June 30, 2013. Such systems must be located in the Company's service territory and have been certified as an Ohio Renewable Energy Resource Generating Facility by the Public Utilities Commission of Ohio.

This Rider shall remain in effect until June 30, 2013, while agreements entered into under the program will extend beyond the effective period of the Rider

Definitions

"Solar Photovoltaic" means energy from devices which generate electricity directly from sunlight through the movement of electrons

"Wind Energy" means electricity generated from wind turbines, windmills, or other technology that converts wind into electricity

"Renewable Energy Certificate" ("REC") means a tradable unit that represents the commodity formed by unbundling the environmental attributes of a unit of renewable energy from the underlying electricity. One REC would be equivalent to the environmental attributes of one MWH of electricity from a renewable or environmentally friendly generation source

REC Purchase and Incentives

Customers taking service under this rider shall enter into a Renewable Energy Technology Program Agreement with the Company which contains all terms and conditions related to the Company's purchase of RECs and payment of an incentive. Copies of the Company's Renewable Energy Technology Program Agreement are available upon request or on the Company's website.

Pursuant to the Renewable Energy Technology Program Agreement, the Company will provide an incentive, as defined below, to qualifying customers provided that all requirements are met and funds are available within the annual funding caps.

| System Type | Customer Type | Incentive Amount | Minimum System Size | Maximum Incentive As a % of System Cost | Maximum Incentive per Customer | Annual Funding Cap |
|--------------------|-----------------|------------------|---------------------|---|--------------------------------|--------------------|
| Solar Photovoltaic | Residential | \$1 50/watt | 2 kW (dc) | 50% | \$12,000 | \$400 000 |
| | Non-Residential | \$1 50/watt | 10 kW (dc) | 50% | \$75,000 | \$600 000 |
| Wind | Residential | \$0 275/kWh | 3,000 kWh/year (ac) | 50% | \$7 500 | \$187,500 |
| | Non-Residential | \$0 275/kWh | 3,000 kWh/year (ac) | 40% | \$12,000 | \$62,500 |

(Continued on Sheet No. 88-2)

Filed pursuant to Order dated June 8, 2011 in Case No. 09-1872-EL-ACP

Issued: June 24, 2011

Effective: July 1, 2011

Issued by
Joseph Hamrock, President
AEP Ohio

P U C O NO 7

OAD-RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER
(Open Access Distribution – Renewable Energy Technology Program Rider)Conditions of Service

1. To receive the incentive amounts as specified above, the customer agrees to assign all of the RECs produced by the solar photovoltaic or wind energy system to the Company for 15 years from the date the facility is installed
2. The Company's total funding for the Rider through June 30, 2013 is \$2.5 million with Annual Funding Caps as specified above
3. For each System Type and Customer Type, any funds not awarded through June 30, 2012 will carry over and be available through June 30, 2013. Any funds not awarded by June 30, 2013 will not carry over beyond June 30, 2013. Any incentives must be awarded by June 30, 2013
4. Applications will be processed and incentives will be awarded on a first-come, first-served basis, until the Company's funding is expended.
5. Only systems installed after July 1, 2011 are eligible to participate in this program
6. Systems must be installed within six months after approval of the application or by June 30, 2013 if the application is made after December 31, 2012.
7. Unless stated otherwise in this Rider, all requirements of the respective NOFA #08-09 Renewable Energy Programs of the Ohio Department of Development – Ohio Energy Office will be enforced.
8. A utility grade meter capable of measuring kWh produced from the system must be installed for systems greater than 6 kW. Those systems 6 kW or below must meet PUCO approved means for measuring kWh production
9. The customer must qualify for and take service under the Company's Schedule NEMS (Net Energy Metering Service).
10. The customer's system must be designed and installed to operate in parallel with the Company's system, through an interconnection agreement with the Company.
11. The system must be located on the same site where the customer's own electricity demand is located.
12. The customer must be the owner of the RECs
13. The customer must secure PUCO certification as an Ohio Renewable Energy Resource Generating Facility for the system.
14. The customer will receive the incentive payment after the total system is installed and is in operation for 30 consecutive days.

(Continued on Sheet No. 88-3)

Filed pursuant to Order dated June 8, 2011 in Case No. 09-1872-EL-ACP

Issued: June 24, 2011

Effective: July 1, 2011

Issued by
Joseph Hamrock, President
AEP Ohio

P.U.C.O. NO. 7

OAD-RENEWABLE ENERGY TECHNOLOGY PROGRAM RIDER
(Open Access Distribution – Renewable Energy Technology Program Rider)

Conditions of Service (Cont'd.)

15. The customer is responsible for providing monthly generator output readings to the Company and must complete an Annual Affidavit of Performance. The Company may also secure random readings for validation purposes
16. If the system becomes inoperable for 90 days or if ownership of the property changes, the customer must refund to the Company a pro-rata amount of the incentive based upon the remaining term of the agreement

This Rider will not modify the customer's bill for electric service under the applicable standard service schedule.

Special Terms and Conditions

This Rider is subject to the Company's Terms and Conditions of Service and all provisions of the standard service schedule under which the customer takes service.

Filed pursuant to Order dated June 8, 2011 in Case No. 09-1872-EL-ACP

Issued: June 24, 2011

Issued by
Joseph Hamrock, President
AEP Ohio

Effective: July 1, 2011

THIS RENEWABLE ENERGY TECHNOLOGY PROGRAM AGREEMENT

("Agreement") is made and entered into by and between either Columbus Southern Power Company or Ohio Power Company (the appropriate Company is indicated as part of the signature below), hereinafter called the "Company," and

_____, hereinafter called the "Customer,"
(collectively the "Parties" or individually the "Party"), and is effective as of the ____ day
of _____, 20__ ("Effective Date").

WITNESSETH

WHEREAS, the Company is an electric distribution utility and electric light company, as defined in R.C. §4928.01(A); and

WHEREAS, the Customer is currently taking retail electric service for the premises located at _____, under the Company's Schedules of Rates for Electric Service.

NOW THEREFORE, in consideration of the mutual promise set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

1. Customer: Customer represents and warrants that Customer is a customer of Company, and that Customer owns or leases a customer-sited renewable energy project in the state of Ohio, at the above premise, that has been certified as an Ohio Renewable Energy Resource Generation Facility by the Public Utilities Commission of Ohio (the "Project"). Customer further represents and warrants that Customer has signed and completed Company's Interconnection Agreement and currently participates in Company's Schedule NEMS, Net Energy Metering Service.

2. REC(s): Customer expects its Project will generate one or more REC(s), on an annual basis, and understands that the environmental attributes associated with one (1) megawatt-hour of electricity derived from Customer's Project is equivalent to one (1) REC. Customer shall be responsible for tracking and recording renewable energy that amounts to less than one (1) megawatt-hour, as provided in paragraph 7 below. Such renewable energy shall not be counted as one (1) REC until such time it accumulates to one (1) megawatt-hour of electricity derived from Customer's Project.

3. Purchase Price and Payment: Company hereby agrees to make an incentive payment to the Customer in the amount of \$_____ in exchange for the Customer's agreement to assign/transfer the REC(s) created from the Customer's Project for the full term of this Agreement, following the Project's initial commencement of production. The Customer will receive the incentive payment after the total Project is installed and operates for thirty (30) consecutive days.

4. Condition of Performance: The Customer agrees to maintain the Project to ensure it retains 100% of its designed operating capacity for the term of this Agreement. If the Project becomes inoperable at full capacity for ninety (90) days or ownership of the

property changes, then the Customer will refund the Company a prorated amount based on the remaining term of the agreement.

5. Project Criteria: Customer acknowledges and agrees that the Project must meet the following criteria:

1. Project must have a placed-in-service date of July 1, 2011, or after, and meet the definition of "Renewable Energy Resource" as defined in R.C. §4928.01(A).
2. Project must be able to generate at least one (1) megawatt-hour annually on the Company's energy delivery system. One (1) megawatt-hour is defined as one thousand (1,000) kilowatt-hours.
3. Customer must attach a copy of the Ohio Renewable Energy Resource Generation Facility certification for the Project as Attachment A.
4. A project greater than 6 kW must have a utility grade meter provided by Customer, at its own cost and expense, installed on the output of the inverter where kilowatt-hours can be measured and verified.
5. A project 6 kW or below must have a method for metering the energy produced that is approved by the Public Utilities Commission of Ohio.
6. Project must be attached as a permanent fixture at the Customer's property (service address) during the term of the contract.
7. Renewable energy delivered from the Project shall be calculated from the initial reading permitted with the Ohio Renewable Energy Resource Generation Facility certification and at a minimum, a subsequent reading at the end of each calendar year.
8. If Project is leased, Customer must provide legal proof of Customer having complete ownership of all REC(s) covering the term of this agreement, which will become Attachment C.
9. Systems must be installed within six months after approval of the application or by June 30, 2013 if the application is made after December 31, 2012.

6. Term: The term of this Agreement begins on the Effective Date above and continues for a period of fifteen (15) years following the Project's initial commencement of production.

7. Assignment/Transfer of REC(s): The energy generated from the Project will be registered with PJM Environmental Services, Inc.'s Generating Attributes Tracking System ("GATS"). If Customer has registered the Project in GATS, then Customer agrees to transfer the REC(s) from the Project to Company. Otherwise, Customer may grant authorization to Company via PJM Environmental Services, Inc.'s SCHEDULE A, "Generator Owner's Consent" (a copy of which is attached) in order for Company to directly enter the energy generated from the Project to Company's account in GATS.

8. Inspection and Audit: After providing reasonable notice, Company has the right to inspect and audit the performance of the Project. Company will provide Customer,

upon written request, a copy of any report generated as a result of the inspection and audit. Notwithstanding the foregoing, it shall be the sole responsibility of Customer to operate, maintain, repair, and inspect the Project to ensure its proper working order during the entire term of the agreement.

9. Attestation: Customer shall complete the Affidavit of Performance, attached hereto as Attachment B. Customer hereby agrees to submit an Affidavit of Performance to the Company by January 15 for the Projects' previous year's generation, attesting to the current condition of the Project and the number of REC(s) the Project delivered. Company shall require and shall only accept REC(s) that Customer has created in the GATS or authorized Company to create in GATS. The REC(s) must be received and accepted in Company's GATS account in order to comply with the terms of this Agreement.

10. Termination: This Agreement shall immediately terminate upon the following occurrences: (i) Project ceases to be a permanent fixture on Customer-owned property; (ii) Project materially fails to function in such a manner as to produce renewable energy megawatt hours; (iii) the Public Utilities Commission of Ohio revokes the Project's certification; (iv) the Public Utilities Commission of Ohio disallows cost recovery for any incentive payments made by the Company to the Customer or for any REC(s) the Company purchased in connection with this Agreement; (v) a change in ownership of the REC(s) for the Project occurs; or (vi) the expiration of the Agreement term.

11. Limitation of Liability and Indemnification: Customer shall assume all liability for and shall indemnify Company for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Customer's negligence in connection with the design, construction or operation of its Project. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Company's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third party; (c) damages related to the death or injury of a third party; (d) damages to the property of Company; (e) damages to the property of a third party; (f) damages for the disruption of the business of a third party. This paragraph does not create a liability on the part of the Customer to the Company or a third party, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing. Notwithstanding the foregoing, Customer shall reimburse the Company for any regulatory penalties assessed against the Company for non-compliance with alternative energy benchmarks due to the negligence of the Customer or the failure of the Project for which the Customer has control and responsibility.

12. Notices: Unless otherwise stated herein, all notices, demands, or requests required or permitted under this Agreement must be in writing and must be delivered or sent by overnight express mail, courier service, electronic mail, or facsimile transmission addressed as follows:

If to the Customer:

[Customer Name]

[Address]

[Telephone]

If to the Company:

AEP Ohio

850 Tech Center Drive

Gahanna, Ohio 43230

Attn: Mark A. Gundelfinger

Manager – Alternative Energy Resources

(614) 883 - 7891

or to such other person at such other address as a Party may designate by like notice to the other Party. Notice received after the close of the business day will be deemed received on the next business day by 5:00p.m., E.S.T., provided that notice by facsimile transmission will be deemed to have been received by the recipient if the recipient confirms receipt telephonically or in writing.

13. Entire Agreement: This Agreement contains the Parties' entire understanding with respect to the matters addressed herein and there are no verbal or collateral representations, undertakings, or agreements not expressly set forth herein. No change in, addition to, or waiver of the terms of this Agreement shall be binding upon any of the Parties unless the same is set forth in writing and signed by an authorized representative of each of the Parties.

14. Assignment: Customer may not assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the Company. No assignment of this Agreement will relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee and all necessary consents have been obtained.

15. Legal Jurisdiction and Interpretation: This Agreement in its entirety will be administered and subject to the laws of the state of Ohio.

16. Acceptance: The Parties hereby acknowledge their acceptance of the terms of this Agreement by signing below:

Customer Name (Print)

Company Representative (Print)

Customer (Signature)

Company Representative (Signature)

Address Line 1

Address Line 1

Address Line 2

Address Line 2

Phone Number

Phone Number

Attachment B

ANNUAL AFFIDAVIT OF PERFORMANCE

State of Ohio: _____

County of _____:

_____, Affiant, being duly sworn, affirmed according to law,
deposes and says that:

1. I am the duly authorized representative of [the Project].
2. I have personally examined and am familiar with all information contained in the foregoing Agreement, including any exhibits and attachments, and that based upon my inquiry of those persons immediately responsible for obtaining the information contained in the Agreement; I believe that the information is true, accurate and complete.
3. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

The Statement:

As of _____, _____ continued to be in
(Date) (Project)

good working order with no material corrective actions pertaining to safety and/or operation warranting attention. Further, [the Project] delivered _____ REC(s) and I now assign those RECs to the Company.

Meter Read Dates Readings

Start: _____

End: _____

Sworn and subscribed before me this ____ day of _____, _____ Month/Year

Signature of Affiant & Title

Notary Signature

Print Name and Title

SCHEDULE A

Generator Owner's Consent

The undersigned on behalf of the Generator Owner, _____,¹
represents to PJM Environmental Information Services, Inc. ("EIS") that:

1. I/we am/are the Generator Owner who holds legal title to the Generating Unit(s) designated below.

2. I/we the Generator Owner hereby grant authority and permission to Account Holder, _____,² to create and trade all Certificates associated with the following Generating Unit(s), which Certificates shall also be registered to the GATS account(s) of the Account Holder.

3. I/we the Generator Owner further represents that I/we have not granted similar authority or permission to any other subscriber or account holder for use in the GATS or any similar system.

| Generating Unit Name and Address Optional: [Generating Unit Size/System Size] | PJM MSET ID or EIA Plant Code and Generator Identifier (as applicable) |
|--|--|
| | |
| | |
| | |

GENERATOR OWNER³

Name:

Title:

Address:

Date:

Directions for Generator Owner's Consent

All information on this Generator Owner's Consent must be typed or neatly printed in blue or black ink as follows:

1. Fill in the Generator Owner's full legal name, i.e. ABC Domestic Energy Company, Inc.
2. Fill in the Account Holder's full legal name, i.e. ABC Domestic Energy Company, Inc.
3. If Generator Owner is a corporation, partnership or other legal entity, this Consent must be executed by a company officer of the Generator Owner. If Generator Owner is an individual, this Consent must be executed by the individual.
4. Return the original, completed Consent to: GATS Administrator, c/o PJM Environmental Information Services, Inc., 955 Jefferson Avenue, Norristown, PA 19403-2497

Attachment C
(Proof of Customer REC(s) Ownership)

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

6/24/2011 4:31:58 PM

in

Case No(s). 09-1872-EL-ACP, 89-6003-EL-TRF

Summary: Tariff Filing electronically filed by Mr. Matthew J Satterwhite on behalf of Columbus Southern Power Company