

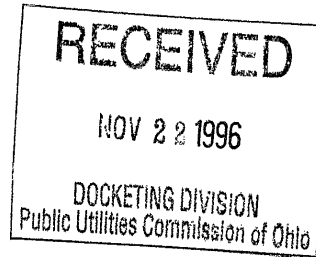
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**American Electric Power**  
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Writer's Direct Dial No.



Mr. Gary E. Vigorito, Secretary  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43215



November 22, 1996

**Subject: Columbus Southern Power Company and Ohio Power Company:  
Interruptible Rate Schedule Filings  
Case Nos. 95-866-EL-UNC, 96-305-EL-ATA and 96-306-EL-ATA**

Dear Mr. Vigorito:

Enclosed for filing in these dockets are modified rate schedules concerning Columbus Southern Power Company's and Ohio Power Company's interruptible "buy-through service." These modified rate schedules reflect the following changes from the rate schedules filed on October 4, 1996:

- 1) The voltage requirement has been changed from 138 KV to 34.5 KV and higher. Appropriate rates for subtransmission service have been added.
- 2) The minimum demand has been lowered to 1 MW for customers who do not designate a specific source of replacement electricity. Customers who designate a replacement electricity source must have a demand of at least 5 MW.
- 3) Item No. 7 regarding designated sources of the Replacement Electricity provision has been amended to include clarifying language as to when designated replacement electricity may be used to support service to the Companies' other customers.
- 4) The Failure to Comply With a Request for Interruption provision has also been revised to clarify the calculation of uninterrupted demand for customers receiving service under more than one schedule.

The changes in 1 and 2 above are proposed assuming that the current total contract capacities contained in each Company's interruptible schedules remain in place. If and when those capacity levels are changed in the future, the Companies would need to evaluate the proper voltage requirement and minimum demand level.

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
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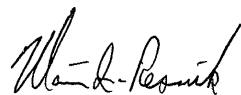
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Mr. Gary Vigorito  
November 22, 1996  
Page 2

Finally, in the Companies' filing on October 4, the Opportunity Sales schedules were withdrawn. The Opportunity Sales schedules are filed here and reflect not only the changes identified above, but also the changes reflected in the other tariffs filed on October 4. A provision for buy-through during economic interruptions has been added and the production discount has been modified.

If you have any questions concerning this matter, please let me know.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Marvin I. Resnik".

Marvin I. Resnik

Attachments

cc: G. Scheck  
R. P. Rosenberry  
M. H. Petricoff

P.U.C.O. NO. 3

SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)Availability of Service

Service pursuant to this schedule is available to customers operating at 34.5 KV or higher that have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KVA of interruptible capacity. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KVA of interruptible capacity.

The total interruptible power contract capacity for all customers served under this schedule and all other interruptible power schedules, contracts and agreements offered by the Company, will be limited to 75,000 KVA. The total interruptible power contract capacity limitation, as specified above, will not apply to either new customer loads locating within the Company's service area or to load expansion by existing customers.

Interruption Conditions

1. The Company reserves the right to interrupt service under this schedule when, in the sole judgement of the Company, a capacity deficiency exists or is projected to exist on the American Electric Power (AEP) System. A capacity deficiency shall mean any instance in which the AEP System's available generating capacity is insufficient to satisfy its load requirements. When an interruption is called for, service to the customer will be curtailed in accordance with the AEP System Interruption Sequence for Capacity Deficiencies. The duration or frequency of such capacity deficiency interruptions shall not be limited. The Company will provide to the customer a copy of the AEP System Interruption Sequence for Capacity Deficiencies.
2. The Company also reserves the right to interrupt service under this schedule when, in the sole judgement of the Company, the Company can receive a higher price from an alternative buyer for the electricity that otherwise would have been sold to the customer. The duration or frequency of such economic interruptions shall not be limited. The customer may avoid an economic interruption by agreeing to pay the price available to the Company from the alternative buyer.

Interruption Notice

1. The Company will endeavor to provide the customer as much advance notice as possible of a capacity deficiency interruption. To the extent feasible, capacity deficiency interruptions shall begin and end on the clock hour or half hour. However, the customer will be required to interrupt service within 10 minutes if so requested by the Company. The Company and the customer may agree by contract on alternative arrangements regarding start and end times for capacity deficiency interruptions. In system emergency situations, the customer will be required to interrupt service immediately.
2. The Company will provide the customer as much advance notice as possible of a potential economic interruption. To the extent feasible, economic interruptions shall begin and end on the clock hour or half hour.

Failure To Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for a capacity deficiency, the customer will be required to refund all rate discounts received under this schedule during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each capacity deficiency interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the difference between the demand charge as specified in this schedule and the Schedule GS-4 demand charge.
2. If the customer fails to interrupt load as requested by the Company during an economic interruption, the entire uninterrupted demand will be billed at the price available to the Company from the alternative buyer for the duration of the requested economic interruption. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each economic interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted.
3. If the customer fails to interrupt load as requested by the Company during either a capacity deficiency or economic interruption, the Company further reserves the right to:
  - a) Interrupt the customer's entire load.

(Continued on Sheet No. 25-2)

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

Issued:

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Marsha P. Ryan, Vice President  
Columbus, Ohio

SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)Failure To Comply With A Request For Interruption (Cont'd)

- b) Discontinue service to the customer under this schedule if the customer fails to interrupt load twice during a 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this schedule, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements, but in no event will the amount of interruptible capacity contracted for be less than 1,000 KVA at any delivery point. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KVA of interruptible capacity at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

Contracts under this schedule shall be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company.

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

While the customer will be required to provide at least 1-year's notice to discontinue service from the Company, the customer will be required to provide 5-year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.

The customer may transfer to firm service with less than 5-year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:

1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.
2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.

Firm Service Designation

In the event the customer requires service which is not subject to interruption as provided for under this schedule, such service shall either be (a) separately supplied and metered under the provisions of a schedule applicable to the type of service which the customer requires or (b) billed under the provisions of Schedule GS-4. If such firm service is billed under the provisions of Schedule GS-4, the customer will not be subject to the minimum contract demand of 1,000 KVA. The customer must designate a firm service contract capacity for such service.

Replacement Electricity

When a capacity deficiency or economic interruption condition arises pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to obtain and deliver replacement electricity at the lowest reasonable cost available in order for the customer to avoid an interruption.

The customer will be required to specify an hourly KVA capacity of replacement electricity that the Company will obtain and deliver.

(Continued on Sheet No. 25-3)

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

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Marsha P. Ryan, Vice President  
Columbus, Ohio

Effective:



P.U.C.O. NO. 3

SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)Replacement Electricity (Cont'd)

The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:

1. The customer agrees to pay all applicable costs incurred by the Company in obtaining and delivering the hourly KVA capacity of replacement electricity specified by the customer including all applicable Federal Energy Regulatory Commission jurisdictional transmission charges.
2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.
3. In order to permit the customer to verify the cost incurred by the Company in obtaining replacement electricity, the customer will be permitted reasonable access to all pertinent documents relating to the purchase of replacement electricity by the Company.
4. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this schedule regarding interruption.
5. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.
6. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.
7. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.
8. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity delivered but not used by the customer up to the Company's avoided cost of generation at the time the replacement electricity was delivered, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.
9. In the event the Company's transmission system is capable of importing only a portion of the requested replacement electricity, the Company shall use its best efforts to fairly apportion available replacement electricity between customers which have requested it.

The customer may also designate a specific source of replacement electricity to be purchased by the Company during capacity deficiency or economic interruptions. The terms and conditions of service under which the Company will purchase designated source replacement electricity will be identical to those listed above for purchases of non-designated source replacement electricity. In addition, customers designating a specific replacement electricity source will be subject to the following supplemental terms and conditions of service:

1. The Company shall take title to any replacement electricity from a designated source.
2. The procurement of replacement electricity by the Company from designated sources shall not involve the use of inappropriate operating procedures or otherwise negatively affect the Company's ability to meet the requirements of its firm service customers.

(Continued on Sheet No. 25-4)

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

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Columbus, Ohio

P.U.C.O. NO. 3

SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)Replacement Electricity (Cont'd)

3. The customer may designate up to 5 replacement electricity sources at the time the service contract is signed. The customer may change designated sources no more than once during every 3-month period.
4. The procurement of replacement electricity by the Company from a designated source shall be subject to the completion of all necessary contracting, including appropriate interchange agreements and/or tariffs, and approval of such contracts, agreements and/or tariffs by any regulatory authority that assumes jurisdiction over such service. Service under PUCO jurisdictional contracts may be implemented subject to final PUCO approval.
5. The Company reserves the right to qualify the designated replacement electricity source(s) specified by the customer. Such qualification criteria may relate to, but not be limited to, the credit worthiness of the replacement electricity source, provision for an analysis by the Company of the technical and operational feasibility of using the replacement electricity source, and the ability of the replacement electricity source to comply with interconnection standards, system integrity and safety provisions established by the Company. The Company will provide to the designated replacement source and to the customer such qualification criteria. All additional costs incurred by the Company to qualify the designated replacement electricity source will be paid by the designated replacement source.
6. The customer will be required to provide the Company with a minimum of 40-minutes' notice for the purpose of arranging for the procurement and delivery of replacement electricity from the source designated by the customer. If requested in advance by the customer, the Company will endeavor to provide replacement electricity from a non-designated source for the period of time until the delivery of replacement electricity from the customer's designated source commences. The cost of replacement electricity from a non-designated source shall be paid for by the customer. The Company will also endeavor to provide replacement electricity to the customer from the customer's designated source prior to the end of the 40-minute notice period whenever possible.
7. In the event that all or any portion of a supply of designated source replacement electricity is used by the Company to support service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities, the customer not receiving the designated source replacement electricity will be entitled to reasonable compensation from the Company for the customer's incurred cost for replacement electricity. The Company will endeavor to utilize other available sources of replacement electricity to supply service to the Company's customers as described above before utilizing all or any portion of a supply of designated source replacement electricity.

Monthly Rate

	<u>Subtransmission</u>	<u>Transmission</u>
Customer Charge (\$)	750.00	750.00
Demand Charge (\$/KVA)	4.945	4.284
Off-Peak Excess Demand Charge (\$/KVA)	1.306	1.306
Energy Charge (¢/KWH)	0.9408	0.9408

Minimum Charge

The minimum charge shall be equal to the sum of the Customer Charge, Demand Charges, the Electric Fuel Component, Interim Surcharge Adjustment, Interim Emergency and Temporary Rider Adjustment, Emissions Fee Recovery Rider and the Phase-in Deferral Recovery Rider.

Delayed Payment Charge

The above schedule is net if full payment is received in the Company's offices, or by an authorized agent within 21 days after the mailing of the bill. On all accounts not so paid, an additional charge of five percent (5%) of the total amount billed will be made.

(Continued on Sheet No. 25-5)

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

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Columbus, Ohio

P.U.C.O. NO. 3

SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)

Electric Fuel Component Rider

In addition to the charges set forth in the above schedule, there shall be an Electric Fuel Component charge per KWH as specified in the Electric Fuel Component Rider (Sheet No. 250-1).

Interim Surcharge Adjustment

Monthly charges computed under this schedule shall be adjusted in accordance with the interim surcharge for recovery of increased Ohio Gross Receipts Tax as set forth in Rider No. 3 (Sheet No. 270).

Interim Emergency and Temporary Rider Adjustment

Monthly charges computed under this schedule shall be adjusted in accordance with the Interim Emergency and Temporary Rider for recovery of Percentage of Income Payment Plan arrearages as set forth in Rider No. 5 (Sheet No. 290).

Emissions Fee Recovery Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the emissions fees as set forth in Rider No. 6 (Sheet No. 300).

Phase-in Deferral Recovery Rider

Monthly charges computed under this schedule shall be adjusted with the rider for recovery of phase-in deferrals as set forth in Rider No. 7 (Sheet No. 310).

Monthly Billing Demand

The billing demand in KVA shall be taken each month as the single highest 30-minute integrated peak in KVA, as registered during the month by a demand meter or indicator, but the monthly demand so established shall in no event be less than the greater of (a) 60% of the customer's contract capacity or (b) 60% of the customer's highest previously established monthly billing demand during the past 11 months or (c) 1,000 KVA. Thirty-minute periods where replacement electricity is supplied shall be excluded in the determination of the billing demand.

Billing energy shall be taken each month as the total KWH registered during the month by an energy meter, excluding energy purchased under the Replacement Electricity provision.

The Metered Voltage adjustment, as set forth below, shall not apply to the customer's minimum monthly billing demand.

Optional Time-of-Day Provision

Available to customers who operate primarily during the off-peak period (as set forth below) and request the installation of time-of-day metering in order to receive service under this provision. The customer shall be required to pay the necessary additional metering cost.

For the purpose of this provision, the monthly billing demand as defined above shall be determined during the on-peak period. The off-peak excess demand shall be the amount by which the demand created during the off-peak period exceeds the monthly billing demand.

The on-peak billing period is defined as 7:00 AM to 9:00 PM local time for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 PM to 7:00 AM for all weekdays, all hours of the day on Saturdays and Sundays, and the legal holidays of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Metered Voltage Adjustment

The rates set forth in this schedule are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company, such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases the metered KWH and KVA values will be adjusted for billing purposes. If the Company elects to adjust KWH and KVA based on multipliers, the adjustment shall be in accordance with the following:

(Continued on Sheet No. 25-6)

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

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Marsha P. Ryan, Vice President  
Columbus, Ohio

P.U.C.O. NO. 3

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SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)

Metered Voltage Adjustment (Cont'd)

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

A customer's plant is considered as one or more buildings which are served by a single electrical distribution system provided and operated by customer. When the size of the customer's load necessitates the delivery of energy to the customer's plant over more than one circuit, the Company may elect to connect its circuits to different points on the customer's system irrespective of contrary provision in the Terms and Conditions.

Customers with cogeneration and/or small power production facilities shall take service under Schedule COGEN/SPP or by special agreement with the Company.

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

Issued:

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Marsha P. Ryan, Vice President  
Columbus, Ohio

Effective:

## P.U.C.O. NO. 3

SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)Availability of Service

Service pursuant to this schedule is available to customers operating at 34.5 KV or higher that have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KVA of interruptible capacity. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KVA of interruptible capacity.

The total interruptible power contract capacity for all customers served under this schedule and all other interruptible power schedules, contracts and agreements offered by the Company, will be limited to 75,000 KVA. The total interruptible power contract capacity limitation, as specified above, will not apply to either new customer loads locating within the Company's service area or to load expansion by existing customers.

Interruption Conditions

The Company reserves the right to interrupt service under this schedule when, in the sole judgement of the Company, a capacity deficiency exists or is projected to exist on the American Electric Power (AEP) System. A capacity deficiency shall mean any instance in which the AEP System's available generating capacity is insufficient to satisfy its load requirements. When an interruption is called for, service to the customer will be curtailed simultaneously with or after curtailing Schedule IRP-OS customers in accordance with the AEP System Interruption Sequence for Capacity Deficiencies. The duration or frequency of such capacity deficiency interruptions shall not be limited. The Company will provide to the customer a copy of the AEP System Interruption Sequence for Capacity Deficiencies.

Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of a capacity deficiency interruption. To the extent feasible, capacity deficiency interruptions shall begin and end on the clock hour or half hour. However, the customer will be required to interrupt service within 10 minutes if so requested by the Company. The Company and the customer may agree by contract on alternative arrangements regarding start and end times for capacity deficiency interruptions. In system emergency situations, the customer will be required to interrupt service immediately.

Failure To Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for a capacity deficiency, the customer will be required to refund all rate discounts received under this schedule during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each capacity deficiency interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the difference between the demand charge as specified in this schedule and the Schedule GS-4 demand charge.
2. If the customer fails to interrupt load as requested by the Company during a capacity deficiency interruption, the Company further reserves the right to:
  - a) Interrupt the customer's entire load.
  - b) Discontinue service to the customer under this schedule if the customer fails to interrupt load twice during a 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this schedule, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements, but in no event will the amount of interruptible capacity contracted for be less than 1,000 KVA at any delivery point. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KVA of interruptible capacity at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

(Continued on Sheet No. 25-8)

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

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Marsha P. Ryan, Vice President  
Columbus, Ohio

## P.U.C.O. NO. 3

SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)Term of Contract (Cont'd)

Contracts under this schedule shall be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company.

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

While the customer will be required to provide at least 1-year's notice to discontinue service from the Company, the customer will be required to provide 5-year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.

The customer may transfer to firm service with less than 5-year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:

1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.
2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.

Firm Service Designation

In the event the customer requires service which is not subject to interruption as provided for under this schedule, such service shall either be (a) separately supplied and metered under the provisions of a schedule applicable to the type of service which the customer requires or (b) billed under the provisions of Schedule GS-4. If such firm service is billed under the provisions of Schedule GS-4, the customer will not be subject to the minimum contract demand of 1,000 KVA. The customer must designate a firm service contract capacity for such service.

Replacement Electricity

When a capacity deficiency interruption condition arises pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to obtain and deliver replacement electricity at the lowest reasonable cost available in order for the customer to avoid an interruption.

The customer will be required to specify an hourly KVA capacity of replacement electricity that the Company will obtain and deliver.

The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:

1. The customer agrees to pay all applicable costs incurred by the Company in obtaining and delivering the hourly KVA capacity of replacement electricity specified by the customer including all applicable Federal Energy Regulatory Commission jurisdictional transmission charges.
2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.
3. In order to permit the customer to verify the cost incurred by the Company in obtaining replacement electricity, the customer will be permitted reasonable access to all pertinent documents relating to the purchase of replacement electricity by the Company.

(Continued on Sheet No. 25-9)

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

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Marsha P. Ryan, Vice President  
Columbus, Ohio

SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)

Replacement Electricity (Cont'd)

4. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this schedule regarding interruption.
5. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.
6. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.
7. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.
8. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity delivered but not used by the customer up to the Company's avoided cost of generation at the time the replacement electricity was delivered, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.
9. In the event the Company's transmission system is capable of importing only a portion of the requested replacement electricity, the Company shall use its best efforts to fairly apportion available replacement electricity between customers which have requested it.

The customer may also designate a specific source of replacement electricity to be purchased by the Company during capacity deficiency interruptions. The terms and conditions of service under which the Company will purchase designated source replacement electricity will be identical to those listed above for purchases of non-designated source replacement electricity. In addition, customers designating a specific replacement electricity source will also be subject to the following supplemental terms and conditions of service:

1. The Company shall take title to any replacement electricity from a designated source.
2. The procurement of replacement electricity by the Company from designated sources shall not involve the use of inappropriate operating procedures or otherwise negatively affect the Company's ability to meet the requirements of its firm service customers.
3. The customer may designate up to 5 replacement electricity sources at the time the service contract is signed. The customer may change designated sources no more than once during every 3-month period.
4. The procurement of replacement electricity by the Company from a designated source shall be subject to the completion of all necessary contracting, including appropriate interchange agreements and/or tariffs, and approval of such contracts, agreements and/or tariffs by any regulatory authority that assumes jurisdiction over such service. Service under PUCO jurisdictional contracts may be implemented subject to final PUCO approval.
5. The Company reserves the right to qualify the designated replacement electricity source(s) specified by the customer. Such qualification criteria may relate to, but not be limited to, the credit worthiness of the replacement electricity source, provision for an analysis by the Company of the technical and operational feasibility of using the replacement electricity source, and the ability of

(Continued on Sheet No. 25-10)

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SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)

Replacement Electricity (Cont'd)

the replacement electricity source to comply with interconnection standards, system integrity and safety provisions established by the Company. The Company will provide to the designated replacement source and to the customer such qualification criteria. All additional costs incurred by the Company to qualify the designated replacement electricity source will be paid by the designated replacement source.

6. The customer will be required to provide the Company with a minimum of 40-minutes' notice for the purpose of arranging for the procurement and delivery of replacement electricity from the source designated by the customer. If requested in advance by the customer, the Company will endeavor to provide replacement electricity from a non-designated source for the period of time until the delivery of replacement electricity from the customer's designated source commences. The cost of replacement electricity from a non-designated source shall be paid for by the customer. The Company will also endeavor to provide replacement electricity to the customer from the customer's designated source prior to the end of the 40-minute notice period whenever possible.
7. In the event that all or any portion of a supply of designated source replacement electricity is used by the Company to support service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities, the customer not receiving the designated source replacement electricity will be entitled to reasonable compensation from the Company for the customer's incurred cost for replacement electricity. The Company will endeavor to utilize other available sources of replacement electricity to supply service to the Company's customers as described above before utilizing all or any portion of a supply of designated source replacement electricity.

Monthly Rate

	<u>Subtransmission</u>	<u>Transmission</u>
Customer Charge (\$)	750.00	750.00
Demand Charge (\$/KVA)	4.945	4.284
Off-Peak Excess Demand Charge (\$/KVA)	1.306	1.306
Energy Charge (¢/KWH)	0.9408	0.9408

Minimum Charge

The minimum charge shall be equal to the sum of the Customer Charge, the Demand Charges, the Electric Fuel Component, Interim Surcharge Adjustment, Interim Emergency and Temporary Rider Adjustment, Emissions Fee Recovery Rider and the Phase-in Deferral Recovery Rider.

Delayed Payment Charge

The above schedule is net if full payment is received in the Company's offices, or by an authorized agent within 21 days after the mailing of the bill. On all accounts not so paid, an additional charge of five percent (5%) of the total amount billed will be made.

Electric Fuel Component Rider

In addition to the charges set forth in the above schedule, there shall be an Electric Fuel Component charge per KWH as specified in the Electric Fuel Component Rider (Sheet No. 250-1).

Interim Surcharge Adjustment

Monthly charges computed under this schedule shall be adjusted in accordance with the interim surcharge for recovery of increased Ohio Gross Receipts Tax as set forth in Rider No. 3 (Sheet No. 270).

Interim Emergency and Temporary Rider Adjustment

Monthly charges computed under this schedule shall be adjusted in accordance with the Interim Emergency and Temporary Rider for recovery of Percentage of Income Payment Plan arrearages as set forth in Rider No. 5 (Sheet No. 290).

(Continued on Sheet No. 25-11)

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(Interruptible Power - Capacity Deficiency B)

Emissions Fee Recovery Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the emissions fees as set forth in Rider No. 6 (Sheet No. 300).

Phase-in Deferral Recovery Rider

Monthly charges computed under this schedule shall be adjusted with the rider for recovery of phase-in deferrals as set forth in Rider No. 7 (Sheet No. 310).

Monthly Billing Demand

The billing demand in KVA shall be taken each month as the single highest 30-minute integrated peak in KVA, as registered during the month by a demand meter or indicator, but the monthly demand so established shall in no event be less than the greater of (a) 60% of the customer's contract capacity or (b) 60% of the customer's highest previously established monthly billing demand during the past 11 months or (c) 1,000 KVA. Thirty-minute periods where replacement electricity is supplied shall be excluded in the determination of the billing demand.

Billing energy shall be taken each month as the total KWH registered during the month by an energy meter, excluding energy purchased under the Replacement Electricity provision.

The Metered Voltage adjustment, as set forth below, shall not apply to the customer's minimum monthly billing demand.

Optional Time-of-Day Provision

Available to customers who operate primarily during the off-peak period (as set forth below) and request the installation of time-of-day metering in order to receive service under this provision. The customer shall be required to pay the necessary additional metering cost.

For the purpose of this provision, the monthly billing demand as defined above shall be determined during the on-peak period. The off-peak excess demand shall be the amount by which the demand created during the off-peak period exceeds the monthly billing demand.

The on-peak billing period is defined as 7:00 AM to 9:00 PM local time for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 PM to 7:00 AM for all weekdays, all hours of the day on Saturdays and Sundays, and the legal holidays of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Metered Voltage Adjustment

The rates set forth in this schedule are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases the metered and KVA values will be adjusted for billing purposes. If the Company elects to adjust KWH and KVA based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

A customer's plant is considered as one or more buildings which are served by a single electrical distribution system provided and operated by customer. When the size of the customer's load necessitates the delivery of energy to the customer's plant over more than one circuit, the Company may elect to connect its circuits to different points on the customer's system irrespective of contrary provision in the Terms and Conditions.

Customers with cogeneration and/or small power production facilities shall take service under Schedule COGEN/SPP or by special agreement with the Company.

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SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Availability of Service

Service pursuant to this schedule is available to customers operating at 34.5 KV or higher that have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KVA of interruptible capacity. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KVA of interruptible capacity.

The total interruptible power contract capacity for all customers served under this schedule and all other interruptible power schedules, contracts and agreements offered by the Company, will be limited to 75,000 KVA. The total interruptible power contract capacity limitation, as specified above, will not apply to either new customer loads locating within the Company's service area or to load expansion by existing customers.

Interruption Conditions

The Company reserves the right to interrupt service under this schedule when, in the sole judgement of the Company, a capacity deficiency exists or is projected to exist on the American Electric Power (AEP) System. A capacity deficiency shall mean any instance in which the AEP System's available generating capacity is insufficient to satisfy its load requirements. When an interruption is called for, service to the customer will be curtailed simultaneously with or after curtailing Schedule IRP-OS and Schedule IRP-CDB customers in accordance with the AEP System Interruption Sequence for Capacity Deficiencies. The duration or frequency of such capacity deficiency interruptions shall not be limited. The Company will provide to the customer a copy of the AEP System Interruption Sequence for Capacity Deficiencies.

Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of a capacity deficiency interruption. To the extent feasible, capacity deficiency interruptions shall begin and end on the clock hour or half hour. However, the customer will be required to interrupt service within 10 minutes if so requested by the Company. The Company and the customer may agree by contract on alternative arrangements regarding start and end times for capacity deficiency interruptions. In system emergency situations, the customer will be required to interrupt service immediately.

Failure To Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for a capacity deficiency, the customer will be required to refund all rate discounts received under this schedule during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each capacity deficiency interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the difference between the demand charge as specified in this schedule and the Schedule GS-4 demand charge.
2. If the customer fails to interrupt load as requested by the Company during a capacity deficiency interruption, the Company further reserves the right to:
  - a) Interrupt the customer's entire load.
  - b) Discontinue service to the customer under this schedule if the customer fails to interrupt load twice during a 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this schedule, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements, but in no event will the amount of interruptible capacity contracted for be less than 1,000 KVA at any delivery point. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KVA of interruptible capacity at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

(Continued on Sheet No. 25-13)

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SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Term of Contract (Cont'd)

Contracts under this schedule shall be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company.

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

While the customer will be required to provide at least 1-year's notice to discontinue service from the Company, the customer will be required to provide 5-year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.

The customer may transfer to firm service with less than 5-year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:

1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.
2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.

Firm Service Designation

In the event the customer requires service which is not subject to interruption as provided for under this schedule, such service shall either be (a) separately supplied and metered under the provisions of a schedule applicable to the type of service which the customer requires or (b) billed under the provisions of Schedule GS-4. If such firm service is billed under the provisions of Schedule GS-4, the customer will not be subject to the minimum contract demand of 1,000 KVA. The customer must designate a firm service contract capacity for such service.

Replacement Electricity

When a capacity deficiency interruption condition arises pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to obtain and deliver replacement electricity at the lowest reasonable cost available in order for the customer to avoid an interruption.

The customer will be required to specify an hourly KVA capacity of replacement electricity that the Company will obtain and deliver.

The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:

1. The customer agrees to pay all applicable costs incurred by the Company in obtaining and delivering the hourly KVA capacity of replacement electricity specified by the customer including all applicable Federal Energy Regulatory Commission jurisdictional transmission charges.
2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.
3. In order to permit the customer to verify the cost incurred by the Company in obtaining replacement electricity, the customer will be permitted reasonable access to all pertinent documents relating to the purchase of replacement electricity by the Company.
4. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this schedule regarding interruption.

(Continued on Sheet No. 25-14)

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Replacement Electricity (Cont'd)

5. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.
  6. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.
  7. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.
  8. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity delivered but not used by the customer up to the Company's avoided cost of generation at the time the replacement electricity was delivered, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.
  9. In the event the Company's transmission system is capable of importing only a portion of the requested replacement electricity, the Company shall use its best efforts to fairly apportion available replacement electricity between customers which have requested it.
- The customer may also designate a specific source of replacement electricity to be purchased by the Company during capacity deficiency interruptions. The terms and conditions of service under which the Company will purchase designated source replacement electricity will be identical to those listed above for purchases of non-designated source replacement electricity. In addition, customers designating a specific replacement electricity source will also be subject to the following supplemental terms and conditions of service:

1. The Company shall take title to any replacement electricity from a designated source.
2. The procurement of replacement electricity by the Company from designated sources shall not involve the use of inappropriate operating procedures or otherwise negatively affect the Company's ability to meet the requirements of its firm service customers.
3. The customer may designate up to 5 replacement electricity sources at the time the service contract is signed. The customer may change designated sources no more than once during every 3-month period.
4. The procurement of replacement electricity by the Company from a designated source shall be subject to the completion of all necessary contracting, including appropriate interchange agreements and/or tariffs, and approval of such contracts, agreements and/or tariffs by any regulatory authority that assumes jurisdiction over such service. Service under PUCO jurisdictional contracts may be implemented subject to final PUCO approval.
5. The Company reserves the right to qualify the designated replacement electricity source(s) specified by the customer. Such qualification criteria may relate to, but not be limited to, the credit worthiness of the replacement electricity source, provision for an analysis by the Company of the technical and operational feasibility of using the replacement electricity source, and the ability of the replacement electricity source to comply with interconnection standards, system integrity and safety provisions established by the Company. The Company will provide to the designated replacement source and to the customer such qualification criteria. All additional costs incurred by the Company to qualify the designated replacement electricity source will be paid by the designated replacement source.

(Continued on Sheet No. 25-15)

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SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Replacement Electricity (Cont'd)

6. The customer will be required to provide the Company with a minimum of 40-minutes' notice for the purpose of arranging for the procurement and delivery of replacement electricity from the source designated by the customer. If requested in advance by the customer, the Company will endeavor to provide replacement electricity from a non-designated source for the period of time until the delivery of replacement electricity from the customer's designated source commences. The cost of replacement electricity from a non-designated source shall be paid for by the customer. The Company will also endeavor to provide replacement electricity to the customer from the customer's designated source prior to the end of the 40-minute notice period whenever possible.
7. In the event that all or any portion of a supply of designated source replacement electricity is used by the Company to support service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities, the customer not receiving the designated source replacement electricity will be entitled to reasonable compensation from the Company for the customer's incurred cost for replacement electricity. The Company will endeavor to utilize other available sources of replacement electricity to supply service to the Company's customers as described above before utilizing all or any portion of a supply of designated source replacement electricity.

Monthly Rate

	<u>Subtransmission</u>	<u>Transmission</u>
Customer Charge (\$)	750.00	750.00
Demand Charge (\$/KVA)	6.038	5.359
Off-Peak Excess Demand Charge (\$/KVA)	1.306	1.306
Energy Charge (¢/KWH)	0.9408	0.9408

Minimum Charge

The minimum charge shall be equal to the sum of the Customer Charge, the Demand Charges, the Electric Fuel Component, Interim Surcharge Adjustment, Interim Emergency and Temporary Rider Adjustment, Emissions Fee Recovery Rider and the Phase-in Deferral Recovery Rider.

Delayed Payment Charge

The above schedule is net if full payment is received in the Company's offices, or by an authorized agent within 21 days after the mailing of the bill. On all accounts not so paid, an additional charge of five percent (5%) of the total amount billed will be made.

Electric Fuel Component Rider

In addition to the charges set forth in the above schedule, there shall be an Electric Fuel Component charge per KWH as specified in the Electric Fuel Component Rider (Sheet No. 250-1).

Interim Surcharge Adjustment

Monthly charges computed under this schedule shall be adjusted in accordance with the interim surcharge for recovery of increased Ohio Gross Receipts Tax as set forth in Rider No. 3 (Sheet No. 270).

Interim Emergency and Temporary Rider Adjustment

Monthly charges computed under this schedule shall be adjusted in accordance with the Interim Emergency and Temporary Rider for recovery of Percentage of Income Payment Plan arrearages as set forth in Rider No. 5 (Sheet No. 290).

Emissions Fee Recovery Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the emissions fees as set forth in Rider No. 6 (Sheet No. 300).

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SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Phase-in Deferral Recovery Rider

Monthly charges computed under this schedule shall be adjusted with the rider for recovery of phase-in deferrals as set forth in Rider No. 7 (Sheet No. 310).

Monthly Billing Demand

The billing demand in KVA shall be taken each month as the single highest 30-minute integrated peak in KVA, as registered during the month by a demand meter or indicator, but the monthly demand so established shall in no event be less than the greater of (a) 60% of the customer's contract capacity or (b) 60% of the customer's highest previously established monthly billing demand during the past 11 months or (c) 1,000 KVA. Thirty-minute periods where replacement electricity is supplied shall be excluded in the determination of the billing demand.

Billing energy shall be taken each month as the total KWH registered during the month by an energy meter, excluding energy purchased under the Replacement Electricity provision.

The Metered Voltage adjustment, as set forth below, shall not apply to the customer's minimum monthly billing demand.

Optional Time-of-Day Provision

Available to customers who operate primarily during the off-peak period (as set forth below) and request the installation of time-of-day metering in order to receive service under this provision. The customer shall be required to pay the necessary additional metering cost.

For the purpose of this provision, the monthly billing demand as defined above shall be determined during the on-peak period. The off-peak excess demand shall be the amount by which the demand created during the off-peak period exceeds the monthly billing demand.

The on-peak period is defined as 7:00 AM to 9:00 PM local time for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 PM to 7:00 AM for all weekdays, all hours of the day on Saturdays and Sundays, and the legal holidays of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Metered Voltage Adjustment

The rates set forth in this schedule are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases the metered KWH and KVA values will be adjusted for billing purposes. If the Company elects to adjust KWH and KVA based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

A customer's plant is considered as one or more buildings which are served by a single electrical distribution system provided and operated by customer. When the size of the customer's load necessitates the delivery of energy to the customer's plant over more than one circuit, the Company may elect to connect its circuits to different points on the customer's system irrespective of contrary provision in the Terms and Conditions.

Customers with cogeneration and/or small power production facilities shall take service under Schedule COGEN/SPP or by special agreement with the Company.

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SCHEDULE IRP-OR  
(Interruptible Power - Operating Reserve)

Availability of Service

Service pursuant to this schedule is available to customers operating at 34.5 KV or higher that have provided reasonable evidence to the Company that their electric service can be interrupted within a 5-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KVA of interruptible capacity.

The total interruptible power contract capacity for all customers served under this schedule and all other interruptible power schedules, contracts and agreements offered by the Company, will be limited to 75,000 KVA. The total interruptible power contract capacity limitation, as specified above, will not apply to either new customer loads locating within the Company's service area or to load expansion by existing customers.

Interruption Conditions

1. The Company reserves the right to interrupt service to the customer at any time that an American Electric Power (AEP) generating unit experiences a forced outage or that AEP is responsible to share reserves with East Central Area Reliability (ECAR) companies, and in these instances, in the sole judgement of the Company, AEP's operating reserve, as specified by ECAR, exclusive of that reserve provided by the customer and other Schedule IRP-OR customers, is not sufficient to restore AEP's area control error to zero within a 10-minute period. Area control error shall mean the instantaneous difference between actual and scheduled interchange of power taking into account the frequency support obligation.
2. When interrupted by the Company in order to restore the area control error to zero within a 10-minute period, the Company will restore service to the customer within 30 minutes. If the Company becomes capacity deficient while in the process of restoring reserves, as specified by ECAR, the Company will initiate its capacity deficiency procedures.

Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of an operating reserve interruption. However, the customer will be required to curtail service within 5 minutes if so requested by the Company. In system emergency situations, the customer will be required to interrupt service immediately.

Failure To Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company, the customer will be required to refund all rate discounts received by the customer under this schedule during the preceding 12 months for the uninterrupted demand. The uninterrupted demand shall be calculated as the difference between the maximum instantaneous demand recorded during each interruption period and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the difference between the demand charge as specified in this schedule and the Schedule GS-4 demand charge.
2. If the customer fails to interrupt load as requested by the Company during an operating reserve interruption, the Company further reserves the right to:
  - a) Interrupt the customer's entire load.
  - b) Discontinue service to the customer under this schedule if the customer fails to interrupt load twice during a 12-month period as requested by the Company.

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements, but in no event will the amount of interruptible capacity contracted for be less than 1,000 KVA at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

Contracts under this schedule will be made for an initial period of not less than 1 year and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service under the terms of this schedule.

(Continued on Sheet No. 25-18)

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SCHEDULE IRP-OR  
(Interruptible Power - Operating Reserve)

Term of Contract (Cont'd)

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

Firm Service Designation

In the event the customer requires service which is not subject to interruption as provided for under this schedule, such service shall either be (a) separately supplied and metered under the provisions of a schedule applicable to the type of service which the customer requires or (b) billed under the provisions of Schedule GS-4. If such firm service is billed under the provisions of Schedule GS-4, the customer will not be subject to the minimum contract demand of 1,000 KVA. The customer must designate a firm service contract capacity for such service.

Monthly Rate

	<u>Subtransmission</u>	<u>Transmission</u>
Customer Charge (\$)	750.00	750.00
Demand Charge (\$/KVA)	5.766	5.091
Off-Peak Excess Demand Charge (\$/KVA)	1.306	1.306
Energy Charge (¢/KWH)	0.9408	0.9408

Minimum Charge

The minimum charge shall be equal to the sum of the Customer Charge, Demand Charges, the Electric Fuel Component, Interim Surcharge Adjustment, Interim Emergency and Temporary Rider Adjustment, Emissions Fee Recovery Rider and the Phase-in Deferral Recovery Rider.

Delayed Payment Charge

The above schedule is net if full payment is received in the Company's offices, or by an authorized agent within 21 days after the mailing of the bill. On all accounts not so paid, an additional charge of five percent (5%) of the total amount billed will be made.

Electric Fuel Component Rider

In addition to the charges set forth in the above schedule, there shall be an Electric Fuel Component charge per KWH as specified in the Electric Fuel Component Rider (Sheet No. 250-1).

Interim Surcharge Adjustment

Monthly charges computed under this schedule shall be adjusted in accordance with the interim surcharge for recovery of increased Ohio Gross Receipts Tax as set forth in Rider No. 3 (Sheet No. 270).

Interim Emergency and Temporary Rider Adjustment

Monthly charges computed under this schedule shall be adjusted in accordance with the Interim Emergency and Temporary Rider for recovery of Percentage of Income Payment Plan arrearages as set forth in Rider No. 5 (Sheet No. 290).

Emissions Fee Recovery Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the emissions fees as set forth in Rider No. 6 (Sheet No. 300).

Phase-in Deferral Recovery Rider

Monthly charges computed under this schedule shall be adjusted with the rider for recovery of phase-in deferrals as set forth in Rider No. 7 (Sheet No. 310).

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SCHEDULE IRP-OR  
(Interruptible Power - Operating Reserve)

Monthly Billing Demand

The billing demand in KVA shall be taken each month as the single highest 30-minute integrated peak in KVA, as registered during the month by a demand meter or indicator, but the monthly demand so established shall in no event be less than the greater of (a) 60% of the customer's contract capacity or (b) 60% of the customer's highest previously established monthly billing demand during the past 11 months or (c) 1,000 KVA.

The Metered Voltage adjustment, as set forth below, shall not apply to the customer's minimum monthly billing demand.

Optional Time-of-Day Provision

Available to customers who operate primarily during the off-peak period (as set forth below) and request the installation of time-of-day metering in order to receive service under this provision. The customer shall be required to pay the necessary additional metering cost.

For the purpose of this provision, the monthly billing demand as defined above shall be determined during the on-peak period. The off-peak excess demand shall be the amount by which the demand created during the off-peak period exceeds the monthly billing demand.

The on-peak billing period is defined as 7:00 AM to 9:00 PM local time for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 PM to 7:00 AM for all weekdays, all hours of the day on Saturdays and Sundays, and the legal holidays of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Metered Voltage Adjustment

The rates set forth in this schedule are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company, such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases the metered KWH and KVA values will be adjusted for billing purposes. If the Company elects to adjust KWH and KVA based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

A customer's plant is considered as one or more buildings which are served by a single electrical distribution system provided and operated by customer. When the size of the customer's load necessitates the delivery of energy to the customer's plant over more than one circuit, the Company may elect to connect its circuits to different points on the customer's system irrespective of contrary provision in the Terms and Conditions.

Customers with cogeneration and/or small power production facilities shall take service under Schedule COGEN/SPP or by special agreement with the Company.

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

Issued:

Issued by  
Marsha P. Ryan, Vice President  
Columbus, Ohio

Effective: \_\_\_\_\_

SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)

Availability of Service

Service pursuant to this schedule is available to customers operating at 34.5 KV or higher that have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this schedule and all other interruptible power schedules, contracts and agreements offered by the Company, will be limited to 256,000 KW. The total interruptible power contract capacity limitation, as specified above, will not apply to either new customer loads locating within the Company's service area or to load expansion by existing customers.

Interruption Conditions

1. The Company reserves the right to interrupt service under this schedule when, in the sole judgement of the Company, a capacity deficiency exists or is projected to exist on the American Electric Power (AEP) System. A capacity deficiency shall mean any instance in which the AEP System's available generating capacity is insufficient to satisfy its load requirements. When an interruption is called for, service to the customer will be curtailed in accordance with the AEP System Interruption Sequence for Capacity Deficiencies. The duration or frequency of such capacity deficiency interruptions shall not be limited. The Company will provide to the customer a copy of the AEP System Interruption Sequence for Capacity Deficiencies.
2. The Company also reserves the right to interrupt service under this schedule when, in the sole judgement of the Company, the Company can receive a higher price from an alternative buyer for the electricity that otherwise would have been sold to the customer. The duration or frequency of such economic interruptions shall not be limited. The customer may avoid an economic interruption by agreeing to pay the price available to the Company from the alternative buyer.

Interruption Notice

1. The Company will endeavor to provide the customer as much advance notice as possible of a capacity deficiency interruption. To the extent feasible, capacity deficiency interruptions shall begin and end on the clock hour or half hour. However, the customer will be required to interrupt service within 10 minutes if so requested by the Company. The Company and the customer may agree by contract on alternative arrangements regarding start and end times for capacity deficiency interruptions. In system emergency situations, the customer will be required to interrupt service immediately.
2. The Company will provide the customer as much advance notice as possible of a potential economic interruption. To the extent feasible, economic interruptions shall begin and end on the clock hour or half hour.

Failure To Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for a capacity deficiency, the customer will be required to refund all rate discounts received under this schedule during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each capacity deficiency interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the difference between the demand charge as specified in this schedule and the Schedule GS-4 demand charge.
2. If the customer fails to interrupt load as requested by the Company during an economic interruption, the entire uninterrupted demand will be billed at the price available to the Company from the alternative buyer for the duration of the requested economic interruption. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each economic interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted.
3. If the customer fails to interrupt load as requested by the Company during either a capacity deficiency or economic interruption, the Company further reserves the right to:
  - a) Interrupt the customer's entire load.

(Continued on Sheet No. 13-2)

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SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)Failure To Comply With A Request For Interruption (Cont'd)

- b) Discontinue service to the customer under this schedule if the customer fails to interrupt load twice during a 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this schedule, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements, but in no event will the amount of interruptible capacity contracted for be less than 1,000 KW at any delivery point. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KW of interruptible capacity at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

Contracts under this schedule shall be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company.

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

While the customer will be required to provide at least 1-year's notice to discontinue service from the Company, the customer will be required to provide 5-year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.

The customer may transfer to firm service with less than 5-year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:

1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.
2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.

Firm Service Designation

In the event the customer requires service which is not subject to interruption as provided for under this schedule, such service shall either be (a) separately supplied and metered under the provisions of a schedule applicable to the type of service which the customer requires or (b) billed under the provisions of Schedule GS-4. If such firm service is billed under the provisions of Schedule GS-4, the customer will not be subject to the minimum contract demand of 8,000 KW. The customer must designate a firm service contract capacity for such service.

Replacement Electricity

When a capacity deficiency or economic interruption condition arises pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to obtain and deliver replacement electricity at the lowest reasonable cost available in order for the customer to avoid an interruption.

The customer will be required to specify an hourly KW capacity of replacement electricity that the Company will obtain and deliver.

(Continued on Sheet No. 13-3)

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SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)Replacement Electricity (Cont'd)

The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:

1. The customer agrees to pay all applicable costs incurred by the Company in obtaining and delivering the hourly KW capacity of replacement electricity specified by the customer including all applicable Federal Energy Regulatory Commission jurisdictional transmission charges.
2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.
3. In order to permit the customer to verify the cost incurred by the Company in obtaining replacement electricity, the customer will be permitted reasonable access to all pertinent documents relating to the purchase of replacement electricity by the Company.
4. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this schedule regarding interruption.
5. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.
6. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.
7. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.
8. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity delivered but not used by the customer up to the Company's avoided cost of generation at the time the replacement electricity was delivered, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.
9. In the event the Company's transmission system is capable of importing only a portion of the requested replacement electricity, the Company shall use its best efforts to fairly apportion available replacement electricity between customers which have requested it.

The customer may also designate a specific source of replacement electricity to be purchased by the Company during capacity deficiency or economic interruptions. The terms and conditions of service under which the Company will purchase designated source replacement electricity will be identical to those listed above for purchases of non-designated source replacement electricity. In addition, customers designating a specific replacement electricity source will be subject to the following supplemental terms and conditions of service:

1. The Company shall take title to any replacement electricity from a designated source.
2. The procurement of replacement electricity by the Company from designated sources shall not involve the use of inappropriate operating procedures or otherwise negatively affect the Company's ability to meet the requirements of its firm service customers.

(Continued on Sheet No. 13-4)

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SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)

Replacement Electricity (Cont'd)

3. The customer may designate up to 5 replacement electricity sources at the time the service contract is signed. The customer may change designated sources no more than once during every 3-month period.
4. The procurement of replacement electricity by the Company from a designated source shall be subject to the completion of all necessary contracting, including appropriate interchange agreements and/or tariffs, and approval of such contracts, agreements and/or tariffs by any regulatory authority that assumes jurisdiction over such service. Service under PUCO jurisdictional contracts may be implemented subject to final PUCO approval.
5. The Company reserves the right to qualify the designated replacement electricity source(s) specified by the customer. Such qualification criteria may relate to, but not be limited to, the credit worthiness of the replacement electricity source, provision for an analysis by the Company of the technical and operational feasibility of using the replacement electricity source, and the ability of the replacement electricity source to comply with interconnection standards, system integrity and safety provisions established by the Company. The Company will provide to the designated replacement source and to the customer such qualification criteria. All additional costs incurred by the Company to qualify the designated replacement electricity source will be paid by the designated replacement source.
6. The customer will be required to provide the Company with a minimum of 40-minutes' notice for the purpose of arranging for the procurement and delivery of replacement electricity from the source designated by the customer. If requested in advance by the customer, the Company will endeavor to provide replacement electricity from a non-designated source for the period of time until the delivery of replacement electricity from the customer's designated source commences. The cost of replacement electricity from a non-designated source shall be paid for by the customer. The Company will also endeavor to provide replacement electricity to the customer from the customer's designated source prior to the end of the 40-minute notice period whenever possible.
7. In the event that all or any portion of a supply of designated source replacement electricity is used by the Company to support service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities, the customer not receiving the designated source replacement electricity will be entitled to reasonable compensation from the Company for the customer's incurred cost for replacement electricity. The Company will endeavor to utilize other available sources of replacement electricity to supply service to the Company's customers as described above before utilizing all or any portion of a supply of designated source replacement electricity.

Monthly Rate

<u>Schedule Code</u>	<u>Service Voltage</u>	<u>Demand Charge (\$/KW)</u>	<u>Off-Peak Excess Demand Charge (\$/KW)</u>	<u>Energy Charge ¢/KWH</u>	<u>Customer Charge (\$)</u>
	Subtransmission	6.87	1.54	0.294	450.00
	Transmission	5.98	0.78	0.291	560.00

Reactive Demand Charge for each KVAR of reactive demand, leading or lagging, in excess of 50% of the KW metered demand . . . . . \$0.50 per KVAR

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge, the product of the demand charge and the monthly billing demand, and all applicable riders.

Monthly Billing Demand

Billing demand in KW shall be taken each month as the single highest 30-minute peak as registered during the month by a 30-minute integrating demand meter. Where energy is presently delivered through 2 meters, the monthly billing demand will be taken as the sum of the 2 demands separately determined. Monthly billing demand

(Continued on Sheet No. 13-5)

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SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)

Monthly Billing Demand (Cont'd)

established hereunder shall not be less than 60% of the greater of (a) the customer's contract capacity, or (b) the customer's highest previously established monthly billing demand during the past 11 months, nor less than 1,000 KW. Thirty-minute periods where replacement electricity is supplied shall be excluded in the determination of the billing demand.

Billing energy shall be taken each month as the total KWH registered during the month by an energy meter, excluding energy purchased under the Replacement Electricity provision.

The reactive demand in KVAR shall be taken each month as the single highest 30-minute integrated peak in KVAR as registered during the month by a demand meter or indicator.

Optional Time-of-Day Provision

Available to customers who operate primarily during the off-peak period (as set forth below) and request the installation of time-of-day metering in order to receive service under this provision. The customer shall be required to pay the necessary additional metering cost.

For the purpose of this provision, the monthly billing demand as defined above shall be determined during the on-peak period. The off-peak excess demand shall be the amount by which the demand created during the off-peak period exceeds the monthly billing demand.

For the purpose of this provision, the on-peak billing period is defined as 7 a.m. to 9 p.m. local time for all weekdays, Monday through Friday. The off-peak billing period is defined as 9 p.m. to 7 a.m. for all weekdays, all hours of the day on Saturdays and Sundays, and the legal holidays of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Metered Voltage Adjustment

The rates set forth in this schedule are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases the metered KWH, KW and KVAR values will be adjusted for billing purposes. If the Company elects to adjust KWH, KW and KVAR based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Delayed Payment Charge

Bills are due and payable in full at Company's offices or at an authorized agent within 21 days after the mailing of the bill. On accounts not so paid, customer shall pay Company interest on the unpaid amount at the rate of 8% per annum from the due date to the date of payment of said bills.

Electric Fuel Component Rider

In addition to the charges set forth in the above schedule, there shall be an Electric Fuel Component charge per KWH as specified in the Electric Fuel Component Rider (Sheet No. 22).

Interim Emergency and Temporary Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Interim Emergency and Temporary Rider for recovery of Percentage of Income Payment Plan arrearages (Sheet No. 26).

Emissions Fee Recovery Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Emissions Fee Recovery Rider (Sheet No. 25).

(Continued on Sheet No. 13-6)

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SCHEDULE IRP-OS  
(Interruptible Power - Opportunity Sales)

Mirrored CWIP Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Mirrored CWIP Rider (Sheet No. 27).

Fuel Reconciliation Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Fuel Reconciliation Rider (Sheet No. 28).

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

A customer's plant is considered as one or more buildings which are served by a single electrical distribution system provided and operated by customer. When the size of the customer's load necessitates the delivery of energy to the customer's plant over more than 1 circuit, the Company may elect to connect its circuits to different points on the customer's system irrespective of contrary provisions in the Terms and Conditions of Service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under Schedule SBS.

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SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)

Availability of Service

Service pursuant to this schedule is available to customers operating at 34.5 KV or higher that have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this schedule and all other interruptible power schedules, contracts and agreements offered by the Company, will be limited to 256,000 KW. The total interruptible power contract capacity limitation, as specified above, will not apply to either new customer loads locating within the Company's service area or to load expansion by existing customers.

Interruption Conditions

The Company reserves the right to interrupt service under this schedule when, in the sole judgement of the Company, a capacity deficiency exists or is projected to exist on the American Electric Power (AEP) System. A capacity deficiency shall mean any instance in which the AEP System's available generating capacity is insufficient to satisfy its load requirements. When an interruption is called for, service to the customer will be curtailed simultaneously with or after curtailing Schedule IRP-OS customers in accordance with the AEP System Interruption Sequence for Capacity Deficiencies. The duration or frequency of such capacity deficiency interruptions shall not be limited. The Company will provide to the customer a copy of the AEP System Interruption Sequence for Capacity Deficiencies.

Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of a capacity deficiency interruption. To the extent feasible, capacity deficiency interruptions shall begin and end on the clock hour or half hour. However, the customer will be required to interrupt service within 10 minutes if so requested by the Company. The Company and the customer may agree by contract on alternative arrangements regarding start and end times for capacity deficiency interruptions. In system emergency situations, the customer will be required to interrupt service immediately.

Failure To Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for a capacity deficiency, the customer will be required to refund all rate discounts received under this schedule during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each capacity deficiency interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the difference between the demand charge as specified in this schedule and the Schedule GS-4 demand charge.
2. If the customer fails to interrupt load as requested by the Company during a capacity deficiency interruption, the Company further reserves the right to:
  - a) Interrupt the customer's entire load.
  - b) Discontinue service to the customer under this schedule if the customer fails to interrupt load twice during a 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this schedule, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements, but in no event will the amount of interruptible capacity contracted for be less than 1,000 KW at any delivery point. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KW of interruptible capacity at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

(Continued on Sheet No. 13-8)

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SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)

Term of Contract (Cont'd)

Contracts under this schedule shall be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company.

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

While the customer will be required to provide at least 1-year's notice to discontinue service from the Company, the customer will be required to provide 5-year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.

The customer may transfer to firm service with less than 5-year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:

1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.
2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.

Firm Service Designation

In the event the customer requires service which is not subject to interruption as provided for under this schedule, such service shall either be (a) separately supplied and metered under the provisions of a schedule applicable to the type of service which the customer requires or (b) billed under the provisions of Schedule GS-4. If such firm service is billed under the provisions of Schedule GS-4, the customer will not be subject to the minimum contract demand of 8,000 KW. The customer must designate a firm service contract capacity for such service.

Replacement Electricity

When a capacity deficiency interruption condition arises pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to obtain and deliver replacement electricity at the lowest reasonable cost available in order for the customer to avoid an interruption.

The customer will be required to specify an hourly KW capacity of replacement electricity that the Company will obtain and deliver.

The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:

1. The customer agrees to pay all applicable costs incurred by the Company in obtaining and delivering the hourly KW capacity of replacement electricity specified by the customer including all applicable Federal Energy Regulatory Commission jurisdictional transmission charges.
2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.
3. In order to permit the customer to verify the cost incurred by the Company in obtaining replacement electricity, the customer will be permitted reasonable access to all pertinent documents relating to the purchase of replacement electricity by the Company.

(Continued on Sheet No. 13-9)

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(Interruptible Power - Capacity Deficiency B)

Replacement Electricity (Cont'd)

4. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this schedule regarding interruption.
5. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.
6. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.
7. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.
8. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity delivered but not used by the customer up to the Company's avoided cost of generation at the time the replacement electricity was delivered, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.
9. In the event the Company's transmission system is capable of importing only a portion of the requested replacement electricity, the Company shall use its best efforts to fairly apportion available replacement electricity between customers which have requested it.

The customer may also designate a specific source of replacement electricity to be purchased by the Company during capacity deficiency interruptions. The terms and conditions of service under which the Company will purchase designated source replacement electricity will be identical to those listed above for purchases of non-designated source replacement electricity. In addition, customers designating a specific replacement electricity source will also be subject to the following supplemental terms and conditions of service:

1. The Company shall take title to any replacement electricity from a designated source.
2. The procurement of replacement electricity by the Company from designated sources shall not involve the use of inappropriate operating procedures or otherwise negatively affect the Company's ability to meet the requirements of its firm service customers.
3. The customer may designate up to 5 replacement electricity sources at the time the service contract is signed. The customer may change designated sources no more than once during every 3-month period.
4. The procurement of replacement electricity by the Company from a designated source shall be subject to the completion of all necessary contracting, including appropriate interchange agreements and/or tariffs, and approval of such contracts, agreements and/or tariffs by any regulatory authority that assumes jurisdiction over such service. Service under PUCO jurisdictional contracts may be implemented subject to final PUCO approval.
5. The Company reserves the right to qualify the designated replacement electricity source(s) specified by the customer. Such qualification criteria may relate to, but not be limited to, the credit worthiness of the replacement electricity source, provision for an analysis by the Company of the

(Continued on Sheet No. 13-10)

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SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)

Replacement Electricity (Cont'd)

technical and operational feasibility of using the replacement electricity source, and the ability of the replacement electricity source to comply with interconnection standards, system integrity and safety provisions established by the Company. The Company will provide to the designated replacement source and to the customer such qualification criteria. All additional costs incurred by the Company to qualify the designated replacement electricity source will be paid by the designated replacement source.

6. The customer will be required to provide the Company with a minimum of 40-minutes' notice for the purpose of arranging for the procurement and delivery of replacement electricity from the source designated by the customer. If requested in advance by the customer, the Company will endeavor to provide replacement electricity from a non-designated source for the period of time until the delivery of replacement electricity from the customer's designated source commences. The cost of replacement electricity from a non-designated source shall be paid for by the customer. The Company will also endeavor to provide replacement electricity to the customer from the customer's designated source prior to the end of the 40-minute notice period whenever possible.
7. In the event that all or any portion of a supply of designated source replacement electricity is used by the Company to support service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities, the customer not receiving the designated source replacement electricity will be entitled to reasonable compensation from the Company for the customer's incurred cost for replacement electricity. The Company will endeavor to utilize other available sources of replacement electricity to supply service to the Company's customers as described above before utilizing all or any portion of a supply of designated source replacement electricity.

Monthly Rate

Schedule Code	Service Voltage	Demand Charge (\$/KW)	Off-Peak Excess Demand Charge (\$/KW)	Energy Charge ¢/KWH	Customer Charge (\$)
	Subtransmission	6.87	1.54	0.294	450.00
	Transmission	5.98	0.78	0.291	560.00

Reactive Demand Charge for each KVAR of reactive demand,  
leading or lagging, in excess of 50% of the KW metered demand . . . . . \$0.50 per KVAR

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge, the product of the demand charge and the monthly billing demand, and all applicable riders.

Monthly Billing Demand

Billing demand in KW shall be taken each month as the single highest 30-minute peak as registered during the month by a 30-minute integrating demand meter. Thirty-minute periods where replacement electricity is supplied shall be excluded in the determination of the billing demand. Where energy is presently delivered through 2 meters, the monthly billing demand will be taken as the sum of the 2 demands separately determined. Monthly billing demand established hereunder shall not be less than 60% of the greater of (a) the customer's contract capacity, or (b) the customer's highest previously established monthly billing demand during the past 11 months, nor less than 1,000 KW.

Billing energy shall be taken each month as the total KWH registered during the month by an energy meter, excluding energy purchased under the Replacement Electricity provision.

The reactive demand in KVAR shall be taken each month as the single highest 30-minute integrated peak in KVAR as registered during the month by a demand meter or indicator.

(Continued on Sheet No. 13-11)

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SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)

Optional Time-of-Day Provision

Available to customers who operate primarily during the off-peak period (as set forth below) and request the installation of time-of-day metering in order to receive service under this provision. The customer shall be required to pay the necessary additional metering cost.

For the purpose of this provision, the monthly billing demand as defined above shall be determined during the on-peak period. The off-peak excess demand shall be the amount by which the demand created during the off-peak period exceeds the monthly billing demand.

For the purpose of this provision, the on-peak billing period is defined as 7 a.m. to 9 p.m. local time for all weekdays, Monday through Friday. The off-peak billing period is defined as 9 p.m. to 7 a.m. for all weekdays, all hours of the day on Saturdays and Sundays, and the legal holidays of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Metered Voltage Adjustment

The rates set forth in this schedule are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases the metered KWH, KW and KVAR values will be adjusted for billing purposes. If the Company elects to adjust KWH, KW and KVAR based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Delayed Payment Charge

Bills are due and payable in full at Company's offices or at an authorized agent within 21 days after the mailing of the bill. On accounts not so paid, customer shall pay Company interest on the unpaid amount at the rate of 8% per annum from the due date to the date of payment of said bills.

Electric Fuel Component Rider

In addition to the charges set forth in the above schedule, there shall be an Electric Fuel Component charge per KWH as specified in the Electric Fuel Component Rider (Sheet No. 22).

Interim Emergency and Temporary Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Interim Emergency and Temporary Rider for recovery of Percentage of Income Payment Plan arrearages (Sheet No. 26).

Emissions Fee Recovery Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Emissions Fee Recovery Rider (Sheet No. 25).

Mirrored CWIP Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Mirrored CWIP Rider (Sheet No. 27).

Fuel Reconciliation Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Fuel Reconciliation Rider (Sheet No. 28).

(Continued on Sheet No. 13-12)

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P.U.C.O. NO. 16

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SCHEDULE IRP-CDB  
(Interruptible Power - Capacity Deficiency B)

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

A customer's plant is considered as one or more buildings which are served by a single electrical distribution system provided and operated by customer. When the size of the customer's load necessitates the delivery of energy to the customer's plant over more than 1 circuit, the Company may elect to connect its circuits to different points on the customer's system irrespective of contrary provisions in the Terms and Conditions of Service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under Schedule SBS.

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Columbus, Ohio

SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Availability of Service

Service pursuant to this schedule is available to customers operating at 34.5 KV or higher that have provided reasonable evidence to the Company that their electric service can be interrupted within a 10-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this schedule and all other interruptible power schedules, contracts and agreements offered by the Company, will be limited to 256,000 KW. The total interruptible power contract capacity limitation, as specified above, will not apply to either new customer loads locating within the Company's service area or to load expansion by existing customers.

Interruption Conditions

The Company reserves the right to interrupt service under this schedule when, in the sole judgement of the Company, a capacity deficiency exists or is projected to exist on the American Electric Power (AEP) System. A capacity deficiency shall mean any instance in which the AEP System's available generating capacity is insufficient to satisfy its load requirements. When an interruption is called for, service to the customer will be curtailed simultaneously with or after curtailing Schedule IRP-OS and Schedule IRP-CDB customers in accordance with the AEP System Interruption Sequence for Capacity Deficiencies. The duration or frequency of such capacity deficiency interruptions shall not be limited. The Company will provide to the customer a copy of the AEP System Interruption Sequence for Capacity Deficiencies.

Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of a capacity deficiency interruption. To the extent feasible, capacity deficiency interruptions shall begin and end on the clock hour or half hour. However, the customer will be required to interrupt service within 10 minutes if so requested by the Company. The Company and the customer may agree by contract on alternative arrangements regarding start and end times for capacity deficiency interruptions. In system emergency situations, the customer will be required to interrupt service immediately.

Failure To Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company for a capacity deficiency, the customer will be required to refund all rate discounts received under this schedule during the preceding 12 months for the uninterrupted demand. The uninterrupted demand will be calculated as the difference between the maximum 30-minute integrated demand during each capacity deficiency interruption and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the difference between the demand charge as specified in this schedule and the Schedule GS-4 demand charge.
2. If the customer fails to interrupt load as requested by the Company during a capacity deficiency interruption, the Company further reserves the right to:
  - a) Interrupt the customer's entire load.
  - b) Discontinue service to the customer under this schedule if the customer fails to interrupt load twice during a 12-month period as requested by the Company. The Company may thereafter charge the customer, as specified in the Term of Contract provision of this schedule, for any additional costs beyond the firm service rate incurred by the Company as a result of the customer transferring to firm service without providing proper notice.

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements, but in no event will the amount of interruptible capacity contracted for be less than 1,000 KW at any delivery point. Customers who designate a specific source of replacement electricity must contract for a minimum of 5,000 KW of interruptible capacity at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

(Continued on Sheet No. 13-14)

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SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Term of Contract (Cont'd)

Contracts under this schedule shall be made for an initial period of not less than 2 years and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service from the Company.

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

While the customer will be required to provide at least 1-year's notice to discontinue service from the Company, the customer will be required to provide 5-year's notice prior to transferring to firm service. Concurrent with providing the Company with notice to transfer to firm service, the customer will also be required to enter into a firm service contract or agreement that will become effective at the end of the notice period.

The customer may transfer to firm service with less than 5-year's notice, upon mutual agreement between the customer and the Company, subject to the following conditions:

1. If the Company has sufficient capacity to provide the customer firm service and would incur no additional costs beyond the firm service rate until after the 5-year contract notice requirement is fulfilled, the customer will be billed under the applicable firm service schedule.
2. If the Company has insufficient capacity to provide the customer firm service prior to the expiration of the notice period, the customer will be billed under the applicable firm service schedule plus all additional costs incurred by the Company in obtaining power from alternative electricity suppliers in order to provide firm service to the customer.

Firm Service Designation

In the event the customer requires service which is not subject to interruption as provided for under this schedule, such service shall either be (a) separately supplied and metered under the provisions of a schedule applicable to the type of service which the customer requires or (b) billed under the provisions of Schedule GS-4. If such firm service is billed under the provisions of Schedule GS-4, the customer will not be subject to the minimum contract demand of 8,000 KW. The customer must designate a firm service contract capacity for such service.

Replacement Electricity

When a capacity deficiency interruption condition arises pursuant to the Interruption Conditions provision contained herein, and if requested by the customer, the Company will use its best efforts to obtain and deliver replacement electricity at the lowest reasonable cost available in order for the customer to avoid an interruption.

The customer will be required to specify an hourly KW capacity of replacement electricity that the Company will obtain and deliver.

The purchase and delivery of such replacement electricity will be subject to the following terms and conditions of service:

1. The customer agrees to pay all applicable costs incurred by the Company in obtaining and delivering the hourly KW capacity of replacement electricity specified by the customer including all applicable Federal Energy Regulatory Commission jurisdictional transmission charges.
2. Best efforts shall mean actions of the Company that are reasonable, prudent and consistent with good utility practice. Best efforts do not include fiduciary or extraordinary actions.
3. In order to permit the customer to verify the cost incurred by the Company in obtaining replacement electricity, the customer will be permitted reasonable access to all pertinent documents relating to the purchase of replacement electricity by the Company.
4. Once replacement electricity is being supplied to the customer, if the customer is notified that replacement electricity is no longer available, the terms of this provision will cease to apply and the customer must comply with all other provisions of this schedule regarding interruption.

(Continued on Sheet No. 13-15)

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SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Replacement Electricity (Cont'd)

5. If any replacement electricity source fails to deliver scheduled replacement electricity, the Company reserves the right to interrupt service to the customer. Further, the customer will indemnify and hold the Company harmless for any damages to persons or property occurring at the customer's premises resulting from the interruption of the customer when the replacement electricity source fails to deliver replacement electricity as scheduled.
  6. The Company reserves the right to interrupt the sale of replacement electricity to the customer if, in the sole judgement of the Company, such electricity is required to maintain service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities. Any such interruption shall be remedied as quickly as reasonably possible and must be preceded by the exhaustion of other reasonable alternatives consistent with good utility practice to avoid the interruption.
  7. All costs of any metering, communications and other equipment necessary for providing replacement electricity will be borne by the customer. Such costs will include the costs of any equipment required to verify the scheduled delivery of replacement electricity from a replacement electricity source to the Company.
  8. The customer will be responsible for all costs resulting when the demand exceeds the replacement electricity capacity specified by the customer. The Company will compensate the customer for replacement electricity delivered but not used by the customer up to the Company's avoided cost of generation at the time the replacement electricity was delivered, except when the unused replacement electricity causes additional costs to the Company by creating operating instability on the Company's system. If the unused replacement electricity causes additional costs due to system instability, the Company shall notify the customer as soon as possible so the customer can take appropriate action to prevent incurring further costs.
  9. In the event the Company's transmission system is capable of importing only a portion of the requested replacement electricity, the Company shall use its best efforts to fairly apportion available replacement electricity between customers which have requested it.
- The customer may also designate a specific source of replacement electricity to be purchased by the Company during capacity deficiency interruptions. The terms and conditions of service under which the Company will purchase designated source replacement electricity will be identical to those listed above for purchases of non-designated source replacement electricity. In addition, customers designating a specific replacement electricity source will also be subject to the following supplemental terms and conditions of service:

1. The Company shall take title to any replacement electricity from a designated source.
2. The procurement of replacement electricity by the Company from designated sources shall not involve the use of inappropriate operating procedures or otherwise negatively affect the Company's ability to meet the requirements of its firm service customers.
3. The customer may designate up to 5 replacement electricity sources at the time the service contract is signed. The customer may change designated sources no more than once during every 3-month period.
4. The procurement of replacement electricity by the Company from a designated source shall be subject to the completion of all necessary contracting, including appropriate interchange agreements and/or tariffs, and approval of such contracts, agreements and/or tariffs by any regulatory authority that assumes jurisdiction over such service. Service under PUCO jurisdictional contracts may be implemented subject to final PUCO approval.
5. The Company reserves the right to qualify the designated replacement electricity source(s) specified by the customer. Such qualification criteria may relate to, but not be limited to, the credit worthiness of the replacement electricity source, provision for an analysis by the Company of the technical and operational feasibility of using the replacement electricity source, and the ability of the replacement electricity source to comply with interconnection standards, system integrity and safety provisions established by the Company. The Company will provide to the designated replacement source and to the customer such qualification criteria. All additional costs incurred by the Company to qualify the designated replacement electricity source will be paid by the designated replacement source.

(Continued on Sheet No. 13-16)

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SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Replacement Electricity (Cont'd)

6. The customer will be required to provide the Company with a minimum of 40-minutes' notice for the purpose of arranging for the procurement and delivery of replacement electricity from the source designated by the customer. If requested in advance by the customer, the Company will endeavor to provide replacement electricity from a non-designated source for the period of time until the delivery of replacement electricity from the customer's designated source commences. The cost of replacement electricity from a non-designated source shall be paid for by the customer. The Company will also endeavor to provide replacement electricity to the customer from the customer's designated source prior to the end of the 40-minute notice period whenever possible.
7. In the event that all or any portion of a supply of designated source replacement electricity is used by the Company to support service to the Company's customers with a higher priority of service according to the AEP System Interruption Sequence for Capacity Deficiencies and/or the Capacity & Energy Emergency Control Program, for system integrity purposes or for emergency sales to other utilities, the customer not receiving the designated source replacement electricity will be entitled to reasonable compensation from the Company for the customer's incurred cost for replacement electricity. The Company will endeavor to utilize other available sources of replacement electricity to supply service to the Company's customers as described above before utilizing all or any portion of a supply of designated source replacement electricity.

Monthly Rate

Schedule Code	Service Voltage	Demand Charge (\$/KW)	Off-Peak Excess Demand Charge (\$/KW)	Energy Charge ¢/KWH	Customer Charge (\$)
	Subtransmission	8.20	1.54	0.294	450.00
	Transmission	7.31	0.78	0.291	560.00

Reactive Demand Charge for each KVAR of reactive demand, leading or lagging, in excess of 50% of the KW metered demand . . . . . \$0.50 per KVAR

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge, the product of the demand charge and the monthly billing demand, and all applicable riders.

Monthly Billing Demand

Billing demand in KW shall be taken each month as the single highest 30-minute peak as registered during the month by a 30-minute integrating demand meter. Thirty-minute periods where replacement electricity is supplied shall be excluded in the determination of the billing demand. Where energy is presently delivered through 2 meters, the monthly billing demand will be taken as the sum of the 2 demands separately determined. Monthly billing demand established hereunder shall not be less than 60% of the greater of (a) the customer's contract capacity, or (b) the customer's highest previously established monthly billing demand during the past 11 months, nor less than 1,000 KW.

Billing energy shall be taken each month as the total KWH registered during the month by an energy meter, excluding energy purchased under the Replacement Electricity provision.

The reactive demand in KVAR shall be taken each month as the single highest 30-minute integrated peak in KVAR as registered during the month by a demand meter or indicator.

Optional Time-of-Day Provision

Available to customers who operate primarily during the off-peak period (as set forth below) and request the installation of time-of-day metering in order to receive service under this provision. The customer shall be required to pay the necessary additional metering cost.

For the purpose of this provision, the monthly billing demand as defined above shall be determined during the on-peak period. The off-peak excess demand shall be the amount by which the demand created during the off-peak period exceeds the monthly billing demand.

(Continued on Sheet No. 13-17)

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SCHEDULE IRP-CDA  
(Interruptible Power - Capacity Deficiency A)

Optional Time-of-Day Provision (Cont'd)

For the purpose of this provision, the on-peak billing period is defined as 7 a.m. to 9 p.m. local time for all weekdays, Monday through Friday. The off-peak billing period is defined as 9 p.m. to 7 a.m. for all weekdays, all hours of the day on Saturdays and Sundays, and the legal holidays of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Metered Voltage Adjustment

The rates set forth in this schedule are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases the metered KWH, KW and KVAR values will be adjusted for billing purposes. If the Company elects to adjust KWH, KW and KVAR based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Delayed Payment Charge

Bills are due and payable in full at Company's offices or at an authorized agent within 21 days after the mailing of the bill. On accounts not so paid, customer shall pay Company interest on the unpaid amount at the rate of 8% per annum from the due date to the date of payment of said bills.

Electric Fuel Component Rider

In addition to the charges set forth in the above schedule, there shall be an Electric Fuel Component charge per KWH as specified in the Electric Fuel Component Rider (Sheet No. 22).

Interim Emergency and Temporary Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Interim Emergency and Temporary Rider for recovery of Percentage of Income Payment Plan arrearages (Sheet No. 26).

Emissions Fee Recovery Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Emissions Fee Recovery Rider (Sheet No. 25).

Mirrored CWIP Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Mirrored CWIP Rider (Sheet No. 27).

Fuel Reconciliation Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Fuel Reconciliation Rider (Sheet No. 28).

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

A customer's plant is considered as one or more buildings which are served by a single electrical distribution system provided and operated by customer. When the size of the customer's load necessitates the delivery of energy to the customer's plant over more than 1 circuit, the Company may elect to connect its circuits to different points on the customer's system irrespective of contrary provisions in the Terms and Conditions of Service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under Schedule SBS.

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SCHEDULE IRP-OR  
(Interruptible Power - Operating Reserve)

Availability of Service

Service pursuant to this schedule is available to customers operating at 34.5 KV or higher that have provided reasonable evidence to the Company that their electric service can be interrupted within a 5-minute notice period. Customers shall contract for electrical capacity sufficient to meet normal maximum requirements but not less than 1,000 KW of interruptible capacity.

The total interruptible power contract capacity for all customers served under this schedule and all other interruptible power schedules, contracts and agreements offered by the Company, will be limited to 256,000 KW. The total interruptible power contract capacity limitation, as specified above, will not apply to either new customer loads locating within the Company's service area or to load expansion by existing customers.

Interruption Conditions

1. The Company reserves the right to interrupt service to the customer at any time that an American Electric Power (AEP) generating unit experiences a forced outage or that AEP is responsible to share reserves with East Central Area Reliability (ECAR) companies, and in these instances, in the sole judgement of the Company, AEP's operating reserve, as specified by ECAR, exclusive of that reserve provided by the customer and other Schedule IRP-OR customers, is not sufficient to restore AEP's area control error to zero within a 10-minute period. Area control error shall mean the instantaneous difference between actual and scheduled interchange of power taking into account the frequency support obligation.
2. When interrupted by the Company in order to restore the area control error to zero within a 10-minute period, the Company will restore service to the customer within 30 minutes. If the Company becomes capacity deficient while in the process of restoring reserves, as specified by ECAR, the Company will initiate its capacity deficiency procedures.

Interruption Notice

The Company will endeavor to provide the customer as much advance notice as possible of an operating reserve interruption. However, the customer will be required to curtail service within 5 minutes if so requested by the Company. In system emergency situations, the customer will be required to interrupt service immediately.

Failure To Comply With A Request For Interruption

1. If the customer fails to interrupt load as requested by the Company, the customer will be required to refund all rate discounts received by the customer under this schedule during the preceding 12 months for the uninterrupted demand. The uninterrupted demand shall be calculated as the difference between the maximum instantaneous demand recorded during each interruption period and the sum of the customer's contract capacities under any schedule where service is not interrupted. The rate discount will be the difference between the demand charge as specified in this schedule and the Schedule GS-4 demand charge.
2. If the customer fails to interrupt load as requested by the Company during an operating reserve interruption, the Company further reserves the right to:
  - a) Interrupt the customer's entire load.
  - b) Discontinue service to the customer under this schedule if the customer fails to interrupt load twice during a 12-month period as requested by the Company.

Term of Contract

The customer shall contract for capacity sufficient to meet normal maximum power requirements, but in no event will the amount of interruptible capacity contracted for be less than 1,000 KW at any delivery point. The Company will not be required to supply capacity in excess of that contracted for except by mutual agreement. In the absence of such agreement, if the customer's demand exceeds the contract capacity, the Company may promptly notify the customer to reduce demand and may interrupt the service if such reduction is not accomplished.

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**SCHEDULE IRP-OR**  
(Interruptible Power - Operating Reserve)

Term of Contract (Cont'd)

Contracts under this schedule will be made for an initial period of not less than 1 year and shall remain in effect unless either party shall give at least 1-year's written notice to the other of the intention to discontinue service under the terms of this schedule.

A new initial contract period will not be required for existing customers who increase their contract capacity requirements after the original notice period unless new or additional facilities are required, in which case, the Company may, at its option, require a longer initial contract period.

Firm Service Designation

In the event the customer requires service which is not subject to interruption as provided for under this schedule, such service shall either be (a) separately supplied and metered under the provisions of a schedule applicable to the type of service which the customer requires or (b) billed under the provisions of Schedule GS-4. If such firm service is billed under the provisions of Schedule GS-4, the customer will not be subject to the minimum contract demand of 8,000 KW. The customer must designate a firm service contract capacity for such service.

Monthly Rate

<u>Schedule Code</u>	<u>Service Voltage</u>	<u>Demand Charge (\$/KW)</u>	<u>Off-Peak Excess Demand Charge (\$/KW)</u>	<u>Energy Charge \$/KWH</u>	<u>Customer Charge (\$)</u>
	Subtransmission	7.87	1.54	0.294	450.00
	Transmission	6.98	0.78	0.291	560.00

Reactive Demand Charge for each KVAR of reactive demand, leading or lagging, in excess of 50% of the KW metered demand . . . . . \$0.50 per KVAR

Minimum Charge

The minimum monthly charge under this schedule shall be the sum of the customer charge, the product of the demand charge and the monthly billing demand, and all applicable riders.

Monthly Billing Demand

Billing demand in KW shall be taken each month as the single highest 30-minute peak as registered during the month by a 30-minute integrating demand meter. Where energy is presently delivered through 2 meters, the monthly billing demand will be taken as the sum of the 2 demands separately determined. Monthly billing demand established hereunder shall not be less than 60% of the greater of (a) the customer's contract capacity, or (b) the customer's highest previously established monthly billing demand during the past 11 months, nor less than 1,000 KW.

The reactive demand in KVAR shall be taken each month as the single highest 30-minute integrated peak in KVAR as registered during the month by a demand meter or indicator.

Optional Time-of-Day Provision

Available to customers who operate primarily during the off-peak period (as set forth below) and request the installation of time-of-day metering in order to receive service under this provision. The customer shall be required to pay the necessary additional metering cost.

For the purpose of this provision, the monthly billing demand as defined above shall be determined during the on-peak period. The off-peak excess demand shall be the amount by which the demand created during the off-peak period exceeds the monthly billing demand.

For the purpose of this provision, the on-peak billing period is defined as 7 a.m. to 9 p.m. local time for all weekdays, Monday through Friday. The off-peak billing period is defined as 9 p.m. to 7 a.m. for all weekdays, all hours of the day on Saturdays and Sundays, and the legal holidays of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

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SCHEDULE IRP-OR  
(Interruptible Power - Operating Reserve)

Metered Voltage Adjustment

The rates set forth in this schedule are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases the metered KWH, KW and KVAR values will be adjusted for billing purposes. If the Company elects to adjust KWH, KW and KVAR based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Delayed Payment Charge

Bills are due and payable in full at Company's offices or at an authorized agent within 21 days after the mailing of the bill. On accounts not so paid, customer shall pay Company interest on the unpaid amount at the rate of 8% per annum from the due date to the date of payment of said bills.

Electric Fuel Component Rider

In addition to the charges set forth in the above schedule, there shall be an Electric Fuel Component charge per KWH as specified in the Electric Fuel Component Rider (Sheet No. 22).

Interim Emergency and Temporary Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Interim Emergency and Temporary Rider for recovery of Percentage of Income Payment Plan arrearages (Sheet No. 26).

Emissions Fee Recovery Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Emissions Fee Recovery Rider (Sheet No. 25).

Mirrored CWIP Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Mirrored CWIP Rider (Sheet No. 27).

Fuel Reconciliation Rider

Monthly charges computed under this schedule shall be adjusted in accordance with the Fuel Reconciliation Rider (Sheet No. 28).

Special Terms and Conditions

This schedule is subject to the Company's Terms and Conditions of Service.

A customer's plant is considered as one or more buildings which are served by a single electrical distribution system provided and operated by customer. When the size of the customer's load necessitates the delivery of energy to the customer's plant over more than 1 circuit, the Company may elect to connect its circuits to different points on the customer's system irrespective of contrary provisions in the Terms and Conditions of Service.

Customers with cogeneration and/or small power production facilities which qualify under Section 210 of the Public Utility Regulatory Policies Act of 1978 shall take service under Schedule COGEN/SPP or by special agreement with the Company. All other customers having sources of electrical energy supply other than the Company shall take service under Schedule SBS.

Filed pursuant to Order No. \_\_\_\_\_ dated \_\_\_\_\_.

Issued:

Effective: \_\_\_\_\_

Issued by  
Marsha P. Ryan, Vice President  
Columbus, Ohio