

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-D

ASSET-BACKED ISSUER  
DISTRIBUTION REPORT PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For the semi-annual distribution period from  
December 1, 2014 to May 31, 2015

Commission File Number of issuing entity: 333-179092-01

**AEP TEXAS CENTRAL TRANSITION FUNDING III LLC**

(Exact name of issuing entity as specified in its charter)

Commission File Number of depositor: 333-179092

**AEP TEXAS CENTRAL COMPANY**

(Exact name of depositor as specified in its charter)

**AEP TEXAS CENTRAL COMPANY**

(Exact name of sponsor as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation or organization of the issuing entity)

76-0830689

(IRS Employer Identification No.)

539 N. Carancahua Street, Suite 1700, Corpus Christi, Texas  
(Address of principal executive offices of the issuing entity)

78401  
(Zip Code)

(361) 881-5399

(Registrant's Telephone Number, Including Area Code)

None

(Former Name or Former Address, if Changed Since Last Report)

Registered/reporting pursuant to (check one)

Title of Class	Section 12(b)	Section 12(g)	Section 15(d)	Name of exchange (If Section 12(b))
Senior Secured Transition Bonds, Series A, Tranche A-1	?	?	<input checked="" type="checkbox"/>	
Senior Secured Transition Bonds, Series A, Tranche A-2	?	?	<input checked="" type="checkbox"/>	
Senior Secured Transition Bonds, Series A, Tranche A-3	?	?	<input checked="" type="checkbox"/>	

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No?

## PART I - DISTRIBUTION INFORMATION

Item 1. Distribution and Pool Performance Information.

The response to Item 1 is set forth in part herein and in part in Exhibit 99.1.

The record date for distributions described in Exhibit 99.1 is May 29, 2015.

Introductory and explanatory information regarding the material terms, parties and distributions described in Exhibit 99.1 is included in the Prospectus Supplement relating to the Senior Secured Transition Bonds, Series A (the "Series A Bonds"), dated March 7, 2012, and related Prospectus, dated March 2, 2012, of AEP Texas Central Transition Funding III LLC (the "Issuing Entity") filed with the Securities and Exchange Commission pursuant to Rule 424(b)(5) of the Securities Act of 1933 on March 9, 2012 under the depositor's Commission File Number.

As indicated in Exhibit 99.1, all required interest and scheduled principal payments on the Series A Bonds have been made with respect to the June 1, 2015 distribution date.

## PART II - OTHER INFORMATION

Item 2. Legal Proceedings.

None.

Item 3. Sale of Securities and Use of Proceeds.

None.

Item 4. Defaults Upon Senior Securities.

Omitted pursuant to General Instruction C of Form 10-D.

Item 5. Submission of Matters to a Vote of Security Holders.

Omitted pursuant to General Instruction C of Form 10-D.

Item 6. Significant Obligors of Pool Assets

Omitted pursuant to General Instruction C of Form 10-D.

Item 7. Significant Enhancement Provider Information.

Omitted pursuant to General Instruction C of Form 10-D.

Item 8. Other Information

Omitted pursuant to General Instruction C of Form 10-D.

Item 9. Exhibits.

**(a) Documents filed as a part of this report (exhibits marked with an asterisk are filed herewith):**

\*99.1 Semi-annual Servicer's Certificate relating to the Series A Bonds, dated June 1, 2015.

**(b) Exhibits required by this Form and Item 601 of Regulation S-K (exhibits marked with an asterisk are filed herewith):**

3.1 Certificate of Formation of the Issuing Entity filed with the Delaware Secretary of State on January 5, 2012 (incorporated by reference to exhibit 3.1 included as an exhibit to the Sponsor's Form S-3/A filed on February 27, 2012).

3.2 Amended and Restated Limited Liability Company Agreement of the Issuing Entity executed as of February 27, 2012 (incorporated by reference to exhibit 3.2 included as an exhibit to the Sponsor's Form S-3/A filed on February 27, 2012).

4.1 Indenture dated as of March 14, 2012 between the Issuing Entity and U.S. Bank National Association providing for the issuance of Senior Secured Transition Bonds, Series A (incorporated by reference to exhibit 4.1 included as an exhibit to the Sponsor's Form 8-K filed on March 16, 2012).

4.2 Form of Senior Secured Transition Bonds, Series A (included as Exhibit A to the Indenture filed as Exhibit 4.1) (incorporated by reference to exhibit 4.1 included as an exhibit to the Sponsor's Form 8-K filed on March 16, 2012).

10.1 Transition Property Purchase and Sale Agreement dated as of March 14, 2012 between the Issuing Entity and AEP Texas Central Company, as seller (incorporated by reference to exhibit 99.2 included as an exhibit to the Sponsor's Form 8-K filed on March 16, 2012).

10.2 Transition Property Servicing Agreement dated as of March 14, 2012 between the Issuing Entity and AEP Texas Central Company, as servicer (incorporated by reference to exhibit 99.1 included as an exhibit to the Sponsor's Form 8-K filed on March 16, 2012).

10.3 Administration Agreement dated as of March 14, 2012 between the Issuing Entity and AEP Texas Central Company, as servicer (incorporated by reference to exhibit 99.3 included as an exhibit to the Sponsor's Form 8-K filed on March 16, 2012).

10.4 Amended and Restated Intercreditor Agreement, dated as of March 14, 2012, by and among AEP Texas Central Company, AEP Texas Central Transition Funding LLC, U.S. Bank National Association, AEP Texas Central Transition Funding II LLC, The Bank of New York Mellon and AEP Texas Central Transition Funding III LLC, each in their respective capacities (incorporated by reference to exhibit 99.4 included as an exhibit to the Sponsor's Form 8-K filed on March 16, 2012).

\*99.1 Semi-annual Servicer's Certificate relating to the Series A Bonds, dated June 1, 2015.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AEP Texas Central Transition Funding III LLC  
(Issuing Entity)

Date: June 1, 2015

By: AEP Texas Central Company, As Servicer

By: /s/ Julia A. Sloat

Name: Julia A. Sloat

Title: Treasurer and Senior Officer in Charge of the Servicing  
Function

**EXHIBIT INDEX**

99.1 Semi-annual Servicer's Certificate relating to the Series A Bonds, dated June 1, 2015.

***Semi-Annual Servicer's Certificate***  
***AEP Texas Central Company, as Servicer***  
***AEP Texas Central Transition Funding III LLC***

Pursuant to Section 4.01(c)(ii) of the Transition Property Servicing Agreement dated as of March 14, 2012 (the "Agreement") between AEP Texas Central Company, as Servicer and AEP Texas Central Transition Funding III LLC, as Note Issuer, the Servicer does hereby certify as follows:

Capitalized terms used herein have their respective meanings as set forth in the Agreement. References herein to certain sections and subsections are references to the respective sections of the Agreement.

***Collection Periods:*** Dec-2014 to May-2015  
***Payment Date:*** 6/1/2015

***1. Collections Allocable and Aggregate Amounts Available for the Current Payment Date:***

i. Remittances for the 12/14 Collection Period (1)	6,925,654.52
ii. Remittances for the 01/15 Collection Period	5,084,097.84
iii. Remittances for the 02/15 Collection Period	5,710,895.13
iv. Remittances for the 03/15 Collection Period	6,349,308.27
v. Remittances for the 04/15 Collection Period	5,899,964.71
vi. Remittances for the 05/15 Collection Period (2)	5,058,709.78
vii. Investment Earnings on Collection Account	
viii. Investment Earnings on Capital Subaccount	317.85
ix. Investment Earnings on Excess Funds Subaccount	252.64
x. Investment Earnings on General Subaccount	1,483.81
<b>xiv. General Subaccount Balance (sum of i through xiii above)</b>	<b><u>35,030,684.55</u></b>
xi. Excess Funds Subaccount Balance as of Prior Payment Date	3,430,240.05
xii. Capital Subaccount Balance as of Prior Payment Date	4,000,000.00
<b>xvii. Collection Account Balance (sum of xiv through xvi above)</b>	<b><u>42,460,924.60</u></b>

(1) December remittances include the previous year's true-up, which was settled in December 2014.

(2) May remittances do not include the previous year's true-up, which will be settled in June 2015.

**2. Outstanding Amounts as of Prior Payment Date:**

i. Tranche A-1 Outstanding Amount	154,927,629.00
ii. Tranche A-2 Outstanding Amount	180,200,000.00
iii. Tranche A-3 Outstanding Amount	311,900,000.00
<b>iv. Aggregate Outstanding Amount of all Tranches of Notes</b>	<b>647,027,629.00</b>

{Add Other Series as applicable}

<b>v. Aggregate Outstanding Amount of all Tranches of Notes</b>	<b>647,027,629.00</b>
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**3. Required Funding/Payments as of Current Payment Date:**

<u>Tranche</u>	<u>Principal Due</u>
i. Tranche A-1	26,667,946.00
ii. Tranche A-2	0.00
iii. Tranche A-3	0.00
<b>iv. For all Tranches of Notes</b>	<b>26,667,946.00</b>

{Add Other Series as applicable}

<u>Tranche</u>	<u>Interest Rate</u>	<u>Days in Interest Period (1)</u>	<u>Principal Balance</u>	<u>Interest Due</u>
v. Tranche A-1	0.88%	180	154,927,629.00	681,759.03
vi. Tranche A-2	1.98%	180	180,200,000.00	1,780,736.40
vii. Tranche A-3	2.84%	180	311,900,000.00	4,436,621.55
<b>viii. For all Tranches of Notes</b>				<b>6,899,116.98</b>

{Add Other Series as applicable}

	<u>Required Level</u>	<u>Funding Required</u>
ix. Capital Subaccount	4,000,000.00	0.00
	<b>4,000,000.00</b>	<b>0.00</b>

**Notes:**

1. On 30/360 day basis for initial payment date; otherwise use one-half of annual rate.



**4. Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture:**

i. Trustee Fees and Expenses	62,156.15
ii. Servicing Fee	200,000.00
iii. Administration Fee	50,000.00
iv. Operating Expenses	0.00
v. Semi-Annual Interest (including any past-due for prior periods)	6,899,116.98

<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Interest Payment	681,759.03	\$2.2142
2. Tranche A-2 Interest Payment	1,780,736.40	\$9.8820
3. Tranche A-3 Interest Payment	4,436,621.55	\$14.2245
	<b>6,899,116.98</b>	
{Add Other Series as applicable}		

vi. Principal Due and Payable as a Result of Event of Default or on Final Maturity Date	0.00
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<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Principal Payment	0.00	\$0.0000
2. Tranche A-2 Principal Payment	0.00	\$0.0000
3. Tranche A-3 Principal Payment	0.00	\$0.0000
	<b>0.00</b>	
{Add Other Series as Applicable}		

vii. Semi-Annual Principal	26,667,946.00
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<u>Tranche</u>	<u>Aggregate</u>	<u>Per \$1000 of Original Principal Amount</u>
1. Tranche A-1 Principal Payment	26,667,946.00	\$86.6124
2. Tranche A-2 Principal Payment	0.00	\$0.0000
3. Tranche A-3 Principal Payment	0.00	\$0.0000
	<b>26,667,946.00</b>	
{Add Other Series as Applicable}		

**4. Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture (continued):**

viii. Funding of Capital Subaccount (to required level)	4,000,000.00
ix. Investment Earnings on Capital Subaccount Released to Note Issuer	317.85
x. Deposit to Excess Funds Subaccount	4,581,387.62
xi. Released to Note Issuer upon Retirement of all Notes	0.00
<b>xii. Aggregate Remittances as of Current Payment Date</b>	<b>42,460,924.60</b>

**5. Outstanding Amount and Collection Account Balance as of Current Payment Date (after giving effect to payments to be made on such Payment Date):**

**Tranche**

i. Tranche A-1	128,259,683.00
ii. Tranche A-2	180,200,000.00
iii. Tranche A-3	311,900,000.00
<b>iv. Aggregate Outstanding Amount of all Tranches of Notes</b>	<b>620,359,683.00</b>

{Add Other Series as applicable}

<b>v. Aggregate Outstanding Amount of all Tranches of Notes</b>	<b>620,359,683.00</b>
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vi. Excess Funds Subaccount Balance	4,581,387.62
vii. Capital Subaccount Balance	4,000,000.00
<b>viii. Aggregate Collection Account Balance</b>	<b>8,581,387.62</b>

**6. Subaccount Withdrawals as of Current Payment Date (if applicable, pursuant to Section 8.02(e) of Indenture):**

i. Excess Funds Subaccount	3,430,492.69
ii. Capital Subaccount	4,000,317.85
<b>iii. Total Withdrawals</b>	<b>7,430,810.54</b>

**7. Shortfalls In Interest and Principal Payments as of Current Payment Date:**

**0.00**

- i. Semi-annual Interest

**Tranche**

- 1. Tranche A-1 Interest Payment 0.00
- 2. Tranche A-2 Interest Payment 0.00
- 3. Tranche A-3 Interest Payment 0.00

**0.00**

{Add Other Series as Applicable}

- ii. Semi-annual Principal

**0.00**

**Tranche**

- 1. Tranche A-1 Principal Payment 0.00
- 2. Tranche A-2 Principal Payment 0.00
- 3. Tranche A-3 Principal Payment 0.00

**0.00**

{Add Other Series as Applicable}

**8 Shortfalls in Required Subaccount Levels as of Current Payment Date:**

- i. Capital Subaccount

0.00  
**0.00**

IN WITNESS HEREOF, the undersigned has duly executed and delivered this Semi-Annual Servicer's Certificate this 1st day of June, 2015.

AEP TEXAS CENTRAL COMPANY, as Servicer

By: /s/ Renee V. Hawkins  
Name: Renee V. Hawkins  
Title: Assistant Treasurer