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

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Pursuant to Section 4.01(c)(ii) of the Transition Property Servicing Agreement dated as of February 7, 2006 (the "Agreement") between AEP Texas Central Company, as Servicer and AEP Texas Central Transition Funding 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:** Jul-2006 to Dec-2006  
**Payment Date:** 01/16/2007

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

- i. Remittances for the 07/06 Collection Period
- ii. Remittances for the 08/06 Collection Period
- iii. Remittances for the 09/06 Collection Period
- iv. Remittances for the 10/06 Collection Period
- v. Remittances for the 11/06 Collection Period
- vi. Remittances for the 12/06 Collection Period
- vii. Investment Earnings on Collection Account
- viii. Investment Earnings on Capital Subaccount
- ix. Investment Earnings on Overcollateralization Subaccount
- x. Investment Earnings on Reserve Subaccount
- xi. Investment Earnings on General Subaccount
- xii. General Subaccount Balance (sum of i through xi above)**
- xiii. Reserve Subaccount Balance as of Prior Payment Date
- xiv. Overcollateralization Subaccount Balance as of Prior Payment Date
- xv. Capital Subaccount Balance as of Prior Payment Date
- xvi. Collection Account Balance (sum of xii through xv above)**

Exhibit I

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

**Series 2002-1**

- i. Class A-1 Outstanding Amount
- ii. Class A-2 Outstanding Amount
- iii. Class A-3 Outstanding Amount
- iv. Class A-4 Outstanding Amount
- v. Class A-5 Outstanding Amount
- vi. Aggregate Outstanding Amount of all Series 2002-1 Notes**

{Add Other Series as applicable}

**vii. Aggregate Outstanding Amount of all Notes**

**3. Required Funding/Payments as of Current Payment Date:**

**Series 2002-1 Principal**

- i. Class A-1
- ii. Class A-2
- iii. Class A-3
- iv. Class A-4
- v. Class A-5

**vi. For all Series 2002-1 Notes**

{Add Other Series as applicable}

<b><u>Series 2002-1 Interest</u></b>	<b><u>Note Interest Rate</u></b>	<b><u>Days in Interest Period (1)</u></b>	<b><u>Principal Balance</u></b>
vii. Class A-1	3.54%	180	0.00
viii. Class A-2	5.01%	180	81,649,042.00
ix. Class A-3	5.56%	180	107,094,258.00
x. Class A-4	5.96%	180	214,926,738.00
xi. Class A-5	6.25%	180	191,856,858.00

**xii. For all Series 2002-1 Notes**

{Add Other Series as applicable}

	<b><u>Required Level</u></b>
xiii. Overcollateralization Subaccount	1,423,812.00
xiv. Capital Subaccount	3,986,674.00
	<b>5,410,486.00</b>

**Notes:**

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

Exhibit I

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

- i. Trustee Fees and Expenses (subject to cap - see 8.02(e)(i) of the Indenture)
- ii. Servicing Fee
- iii. Operating Expenses (subject to cap - see 8.02(e)(iii) of the Indenture)
- iv. Semi-Annual Interest (including any past-due for prior periods)

<u><b>Series 2002-1</b></u>	<u><b>Aggregate</b></u>	<u><b>Per \$1000 of Original Principal Amount</b></u>
1. Class A-1 Interest Payment	0.00	#DIV/0!
2. Class A-2 Interest Payment	2,045,308.50	\$25.0500
3. Class A-3 Interest Payment	2,977,220.37	\$27.8000
4. Class A-4 Interest Payment	6,404,816.79	\$29.8000
5. Class A-5 Interest Payment	5,995,526.81	\$31.2500
	<b>17,422,872.48</b>	

{Add Other Series as applicable}

- v. Principal Due and Payable as a Result of Event of Default or on Final Maturity Date

<u><b>Series 2002-1</b></u>	<u><b>Aggregate</b></u>	<u><b>Per \$1000 of Original Principal Amount</b></u>
1. Class A-1 Principal Payment	0.00	#DIV/0!
2. Class A-2 Principal Payment	0.00	\$0.0000
3. Class A-3 Principal Payment	0.00	\$0.0000
4. Class A-4 Principal Payment	0.00	\$0.0000
5. Class A-5 Principal Payment	0.00	\$0.0000
	<b>0.00</b>	

{Add Other Series as Applicable}

- vi. Semi-Annual Principal

<u><b>Series 2002-1</b></u>	<u><b>Aggregate</b></u>	<u><b>Per \$1000 of Original Principal Amount</b></u>
1. Class A-1 Principal Payment	0.00	#DIV/0!
2. Class A-2 Principal Payment	32,125,238.00	\$393.4552
3. Class A-3 Principal Payment	0.00	\$0.0000
4. Class A-4 Principal Payment	0.00	\$0.0000
5. Class A-5 Principal Payment	0.00	\$0.0000
	<b>32,125,238.00</b>	

{Add Other Series as Applicable}

Exhibit I

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

- vii. Funding of Capital Subaccount (to required level)
- viii. Funding of Overcollateralization Subaccount (to required level)
- ix. Investment Earnings on Capital Subaccount Released to Note Issuer
- x. Deposit to Reserve Subaccount
- xi. Released to Note Issuer upon Retirement of all Notes
- xii. Aggregate Remittances as of Current Payment Date**

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

**Series 2002-1**

- i. Class A-1 Outstanding Amount
- ii. Class A-2 Outstanding Amount
- iii. Class A-3 Outstanding Amount
- iv. Class A-4 Outstanding Amount
- v. Class A-5 Outstanding Amount
- vi. Aggregate Outstanding Amount of all Series 2002-1 Notes**

{Add Other Series as applicable}

**vii. Aggregate Outstanding Amount of all Notes**

- viii. Reserve Subaccount Balance
- ix. Overcollateralization Subaccount Balance
- x. Capital Subaccount Balance
- xi. Aggregate Collection Account Balance**

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

- i. Reserve Subaccount
- ii. Overcollateralization Subaccount
- iii. Capital Subaccount
- iv. Total Withdrawals**

Exhibit I

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

i. Semi-annual Interest

**Series 2002-1**

1. Class A-1 Interest Payment
2. Class A-2 Interest Payment
3. Class A-3 Interest Payment
4. Class A-4 Interest Payment
5. Class A-5 Interest Payment

{Add Other Series as Applicable}

ii. Semi-annual Principal

**Series 2002-1**

1. Class A-1 Principal Payment
2. Class A-2 Principal Payment
3. Class A-3 Principal Payment
4. Class A-4 Principal Payment
5. Class A-5 Principal Payment

{Add Other Series as Applicable}

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

- i. Overcollateralization Subaccount
- ii. Capital Subaccount

IN WITNESS HEREOF, the undersigned has duly executed and delivered this Semi-Annual Servicer's Certificate this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

AEP TEXAS CENTRAL COMPANY, as Servicer

by: Steve Haynes

title: Assistant Treasurer

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2002  
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ement.

8,806,484.33  
7,936,009.12  
7,856,067.92  
9,277,165.33  
7,135,747.42  
4,414,307.75

103,215.96  
32,109.09  
143,590.79  
699,286.32

**46,403,984.03**

5,734,101.12  
1,281,431.00  
3,986,674.00

**57,406,190.15**

0.00  
81,649,042.00  
107,094,258.00  
214,926,738.00  
191,856,858.00  
**595,526,896.00**

**595,526,896.00**

***Principal  
Due***

0.00  
32,125,238.00  
0.00  
0.00  
0.00  
**32,125,238.00**

***Interest Due***

0.00  
2,045,308.50  
2,977,220.37  
6,404,816.79  
5,995,526.81  
**17,422,872.48**

***Funding Required***

142,381.00  
0.00  
**142,381.00**

0.00  
199,332.00  
2,562.00  
17,422,872.48

0.00

32,125,238.00

3,986,674.00  
1,423,812.00  
103,215.96  
2,142,483.72  
0.00

**57,406,190.15**

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107,094,258.00  
214,926,738.00  
191,856,858.00

**563,401,658.00**

**563,401,658.00**

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1,423,812.00  
3,986,674.00

**7,552,969.72**

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3,986,674.00

**11,177,906.00**

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