

This draft agreement contains AEP's contractual expectations and requirements for the transfer of operational control of the transmission facilities constructed by an interconnection customer under applicable option-to-build provisions as part of the interconnection of generation facilities. It does not create a legally binding or enforceable offer or agreement unless and until a definitive agreement has been duly executed and delivered by both parties. This draft agreement remains subject to further review and change by AEP.

[Generator Name]
[Generator Address]

_____, 202__

[Name]
[Title]
[AEP company name]
1 Riverside Plaza
Columbus, OH 43215

Copy to:

[RTO]
[_____
[_____]

**RE: [Interconnection Agreement]
Transfer of Operational Control of Transmission Facilities**

Dear _____:

[RTO] ("RTO"), [Generator] ("Generator") and [AEP Company] ("AEP") are parties to that certain [Interconnection Agreement, Original Service Agreement No. [____], effective as of [Date] ("Interconnection Agreement"). For purposes this letter (the "Letter Agreement"), Generator and AEP may be referred to collectively as the "Parties."

Pursuant to the Interconnection Agreement, Generator elected the option to construct the [Transmission Owner Interconnection Facilities described in Schedule [____] of the Interconnection Agreement] (collectively, the "Station"). Generator hereby transfers to RTO and AEP Operational Control of the Station effective as of [____], 202__. The Parties acknowledge that this transfer of Operational Control is occurring prior to energization of the Station.

For purposes of this Letter Agreement, "Operational Control" means controlling the operation of all line switches, breakers or other disconnect devices located at the Station. RTO, in coordination with AEP, will operate the Station pursuant to the RTO Consolidated Transmission Owners Agreement and the RTO Open Access Transmission Tariff. "Operational Control" does not include maintenance of the Station or compliance with any NERC reliability standards applicable to Transmission Owners, Generation Owners, or Generation Operators with respect to the Station. Notwithstanding the

foregoing, AEP reserves the right to replace or repair equipment or perform other maintenance activities in an Emergency Condition (as defined in the Interconnection Agreement), and Generator agrees to reimburse AEP for the costs of such work within 30 days after receipt of a statement of the costs of such work.

Generator will request all switching coordination and arrangements through AEP. To ensure the security of the transmission system, AEP will limit access to the Station. If Generator desires access to the Station, Generator shall coordinate access with AEP, and while at the Station, Generator and its representatives will follow AEP site guidelines and AEP safety requirements.

The signing of this Letter Agreement does not purport to transfer ownership of the Station or any related facilities or real property interests. Generator shall retain ownership of the Station and all related facilities and real property interests until AEP and Generator close a transaction to transfer ownership of the Station to AEP. Until such time as ownership of the Station is transferred to AEP, Generator shall be responsible for all costs and liabilities associated with the Station and all related facilities and real property interests; provided, however, Generator shall not be responsible for costs and liabilities to the extent caused directly by the negligence of AEP in exercising Operational Control of the Station. Without limiting the foregoing, until ownership of the Station has been transferred to AEP, Generator shall be responsible for:

- taxes for the period in which it owns the Station;
- costs associated with the maintenance of the Station and all related facilities and real property interests;
- final completion of the Station, including completion of any punch-list and warranty items; and
- complying with any requirements of RTO and Governmental Authorities applicable to Generator's status as a transmission owner (including without limitation obtaining an Open Access Transmission Tariff or waiver thereof), and submitting any applicable filings and reports in connection therewith; and
- complying with all NERC reliability standards applicable to Generator's status as a transmission owner, and submitting any applicable filings and reports.

The Parties are contemplating that ownership of the Station and certain related facilities and real property interests will be transferred to AEP. Generator agrees to timely provide information and make personnel available as requested by AEP in order for AEP to perform due diligence for the contemplated ownership transfer. AEP shall provide Generator with forms of the agreements and conveyance documents necessary to transfer ownership, and the Parties shall exercise commercially reasonable efforts to complete a transfer of ownership within one year after the date of this Letter Agreement.

AEP's acceptance of Operational Control over the Station pursuant to this Letter Agreement shall not be construed as reviewing and approving, confirming, endorsing or providing a warranty by AEP as to

the engineering design, installation, construction, fitness, safety or durability of any Interconnection Facilities built by the Generator or other compliance with the Interconnection Agreement.

This Letter Agreement is being executed and delivered pursuant to, and subject to the terms and conditions of, the Interconnection Agreement. This Letter Agreement is subject to the terms and conditions of the Interconnection Agreement, including without limitation the remedies (including indemnifications and limitations of liability), and nothing contained herein is meant to enlarge, diminish, or otherwise alter the terms and conditions of the Interconnection Agreement or the Parties' duties and obligations therein.

This Letter Agreement shall terminate upon the earlier of the closing of the transfer of ownership of the Station to AEP or upon termination of the Interconnection Agreement.

[Signature page follows]

Sincerely,

[GENERATOR NAME]

By: _____

Name: _____

Title: _____

ACKNOWLEDGED AND AGREED:

[AEP company name]

By: _____

[Name]

[Title]

Date: _____