

## Introduction

- Multiple minor changes to the three paragraphs following the name change necessary as Fuel, Emissions, & Logistics (FEL) was moved under the Senior Vice President (SVP) of Commercial Operations and renamed Fuel Procurement (FP).
- Date was changed to reference the 2012 FEL Fuel Procurement Policy.

### 1.0 Regulated Fuel Procurement Organization – heading was updated with new organization name

#### 1.1 Roles & Responsibilities of the Regulated FP Organization – updated heading with new name

- In addition to the name changes to FP, the reporting to the Senior Vice President of Commercial Operations was updated as well as the inclusion of new reagents.
- The operations of AEP River Operations, Cook Coal Terminal, Alliance and Metropolis Rail Car Facilities, Dolet Hills and Sabine Mines, and the Central Coal Lab were deleted from this section as they now report through other organizations.
- The Bid, Offer & Cost Development group was added in the third paragraph as one of the groups FP must communicate with to ensure adequate fuel supplies.
- General name changes to FP are made throughout.

#### 1.2 Organization Structure of Regulated FP – updated heading with new name

- Ohio Valley Electric Corporation (OVEC) and Indiana-Kentucky Electric Corporation (IKEC) were included in the opening paragraph.
- The groups reporting to the Vice President (VP) of FP were modified following the separation of the operations groups mentioned in 1.1 apart of Fuel Procurement (coal and gas), Reagents and Combustion Products, and Transportation
- Renewable Energy was deleted as it reports to the SVP of Commercial Operations.

#### 1.3 Regulated FP Responsibilities – updated heading with new name

- Multiple name changes associated with the restructuring of FEL under Commercial Operations.
- Managers, not VPs, are now responsible to overseeing “the development, negotiation, execution, and administration of supply and transportation agreements.”
- Managers, not Directors, are responsible for “directing and/or performing the planning and execution of fuel, transportation and reagent purchases. Managers, Fuel Buyers, and Fuel Coordinators were added “for maintaining regular communication with plant employees, and fuel suppliers...”

#### 1.4 General Administrative Duties

- Minor name changes related to FP as compared to FEL made throughout
- Affiliated companies OVEC & IKEC were included

### 2.0 Regulated FP Policy and Procedures and Implementation – Updated heading due to name change

#### 2.1 Business Ethics and Corporate Compliance

- Minor name change to Regulated FP

#### 2.2 Regulated FP Considerations – Updated heading due to name change

Note: Throughout the policy manual "materials" has been changed to "commodities"

- Minor name changes to Regulated FP
- 2.3 Proper Inventory Levels
- Minor name changes to Regulated FP
  - "in coordination with the applicable power plant management" was added to the end of the 4<sup>th</sup> sentence
- 3.0 Regulated Fuel Procurement Methods and Documentation – Regulated Fuel was inserted at the beginning
- 3.1 Requests for Proposals (RFP)
- Minor name changes to Regulated FP
- 3.2 Other Non-Solicited Offer Evaluation – "Non-Solicited" was inserted after "Other"
- Minor name changes to Regulated FP
- 3.3 Emergency Procurement
- VP in Regulated FP is noted as the responsible person to determine a need
- 3.4 Coal and Reagent Quality Specifications and Compliance – New Heading
- 3.5 Negotiating Responsibility
- Minor name changes to Regulated FP
  - FEL Portfolio Manager and Coordinators were deleted
- 4.0 Hedging Policy
- 4.1 Hedging Definition – no changes
- 4.2 Hedging Strategy
- Minor name changes to Regulated FP
- 5.0 Contract Administration
- 5.1 Overview and Responsibilities
- Minor modifications of responsibilities within Commercial Operations (name changes and clarifications)
  - Minor name changes to Regulated FP

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