

Kentucky Power Company
KPSC Case No. 2020-00174
Sierra Club First Set of Data Requests
Dated August 12, 2020

DATA REQUEST

SC_1_001 Refer to p.5 of Mr. Blankenship's testimony. Please elaborate on why it is "imperative that the Company transition to AMI to facilitate" distributed solar resources, including by discussing how AMI permits or enhances the functionality of distributed solar technology.

RESPONSE

It is imperative that the Company transition to AMI due to the expected increase of customers installing distributed energy resources, combined with the short supply of the existing ERT meter devices to measure the tariff parameters. AMI enhances distributed energy resources by providing real-time, bi-directional measurements of the energy metrics required to support these resources thus the functionality is more effectively supported with AMI than the current AMR platform.

Witness: Stephen D. Blankenship

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DATA REQUEST

SC_1_002 Refer to p.13 of Mr. Blankenship's testimony. Please identify which of the benefits of AMI, if any, are reasonably amenable to accurate approximate quantification; and please estimate the value (in \$) of each such benefit, if reasonably possible. If not, please explain why no benefit is susceptible to reasonable quantification and/or why such calculations are not reasonably possible.

RESPONSE

See the Company's response to KIUC-AG 1-89 and KIUC-AG 1-116.

Witness: Stephen D. Blankenship

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DATA REQUEST

SC_1_003 Refer to p.12 of Ms. Wiseman's testimony. Please explain whether the Company has already conducted any preliminary outreach (as distinct from the planned future outreach described) with customers about the possible installation of AMI to solicit their input on whether customers need or want AMI. If so, please share the input the Company has obtained.

RESPONSE

No, the Company has not conducted any preliminary outreach with customers about the possible installation of AMI. The proposed AMI deployment is necessary because of the outdated and obsolete metering system currently installed throughout the Company's service territory. AMI metering will provide significant benefits to the Company's customers by making them more aware and putting them in more greater control of their usage. Please see the Direct Testimony of Stephen D. Blankenship, pages 3 - 4, for more details regarding the obsolescence of the current meter infrastructure and pages 11-16 for customer and reliability benefits.

Witness: Cynthia G. Wiseman

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DATA REQUEST

SC_1_004 Refer to pp. 16-17 of Ms. Wiseman’s testimony. Please provide any documents that may expound on the Company’s planned “comprehensive education and awareness campaign” about the benefits of AMI, and otherwise provide any additional details that may exist about such plans at this time, including the planned frequency and duration of such outreach (including but not limited to whether the campaign will terminate at the end of the AMI deployment process).

RESPONSE

The Company has not prepared any documents responsive to this request. The Company will prepare the campaign discussed in witness Wiseman's testimony once the Commission has approved the Company's AMI proposal.

The Direct Testimony of Cynthia G. Wiseman, pg. 16-17 contains all current details regarding the customer education and awareness campaign to support the Customer Engagement Platform for the Company's proposed AMI deployment. While the customer education and awareness campaign will terminate at the end of the AMI deployment process, access to resources through Kentucky Power will not cease at this time. The Company will continue to provide information related to its AMI deployment through the assistance of customer service professionals and by maintaining information on the Company website, which will include FAQs. Additionally, the Company will continue customer outreach activities for the Customer Engagement Platform and Flex Pay program.

Witness: Cynthia G. Wiseman

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DATA REQUEST

SC_1_005 Refer to p.25 & Exhibit AEV-4 of Mr. Vaughan's testimony, and p.ES-5 of Company's 2019 Integrated Resource Plan (IRP). Please identify and provide any analysis the Company has performed, obtained, or reviewed that seeks to evaluate the potential relative cost savings to the Company's system posed by allowing and realizing distributed solar installation at a level greater than the 1% cap that is proposed in the Net Metering Service II tariff—an additional increment of power that could displace potentially costlier power that the Company plans on procuring from other sources in its future portfolio (or, if no such analysis exists, so indicate).

RESPONSE

The referenced 1% cap is statutory. The requested analysis does not exist.

Witness: Alex E. Vaughan

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DATA REQUEST

SC_1_006 Refer to pp. 27-28 of Mr. Vaughan’s testimony. With respect to the statement, “The items discussed above”—including “the societal cost of carbon” and “other externalities,” inter alia—“that are not included are appropriately excluded because they do not pertain to the Company’s cost of electric service, which is what its Kentucky retail jurisdictional rates are based upon.”: Please explain whether Mr. Vaughan and KPC take the position that tariffs always are and must be formulated based exclusively on the “cost of electric service,” and not any other or broader considerations (e.g., the public interest). Cite all authorities (technical, legal, or otherwise) on which Mr. Vaughan and KPC rely for that response.

RESPONSE

The Company objects to this request to the extent it seeks to impose obligations beyond those required by the Commission's administrative regulations and to the extent it seeks a legal opinion. Subject to and without waiving the foregoing objections, the Company states that its tariff rates, as required by law, are based upon its cost of providing electric service to its customers.

Witness: Alex E. Vaughan

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DATA REQUEST

SC_1_007 Refer to p.4 of Ms. Osborne's testimony, p. 48 of Mr. Vaughan's testimony, and para. 7, p.4, of the Company's Application. Please indicate whether, at this time, the Company has any intentions of seeking to renew the Rockport Plant Unit Power Agreement (UPA) at 393 MW, or any replacement agreement for any amount of power, after the current UPA expires at the end of 2022. If so, describe.

RESPONSE

Kentucky Power currently expects that it will not renew the Rockport Plant UPA beyond the UPA's December 2022 expiration. The Company will seek appropriate approval from the Commission for the acquisition of replacement energy and capacity.

Witness: Debra L. Osborne

Witness: Alex E. Vaughan

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DATA REQUEST

- SC_1_008** Refer to pp. 4 & 8-9 of Ms. Osborne's testimony, and para. 6, p.3, of the Company's application.
- a) Please provide a copy of all contractual documents defining or affecting the Company's rights and obligations with respect to the Mitchell Plant, including but not limited to power supply, ongoing operational decisions, and decisions regarding capital investments, environmental compliance, or plant retirement/conversion.
Please also provide a copy of the currently effectual version of the Power Coordination Agreement (PCA), if not encompassed by the foregoing.
- b) Please explain the decision-making process behind whether, and in what mode, to commit the Mitchell Plant's units into the PJM energy market (e.g., to self-schedule versus to market-/economically commit the units), including but not limited to who makes those decisions (e.g., Wheeling Power and/or KPC) and how often the decision whether to self-schedule the units is made/assessed. Please also provide any documents that may exist that define or reflect the foregoing.
- c) Please identify the average capacity factor of each unit of the Mitchell Plant for each month of the test year period.

RESPONSE

- a) Please see the Company's response to the Joint Initial Data Requests of KIUC and the Attorney General, Item No. 19, for the Mitchell Plant Operating Agreement. Also, please see KPCO_R_SC_1_008_Attachment1 for the Asset Contribution Agreement, KPCO_R_SC_1_008_Attachment2 for the Conner Run Impoundment Agreement, and KPCO_R_SC_1_008_Attachment3 for the Power Coordination Agreement.
- b) On a daily basis, AEPSC Commercial Operations conducts a review that incorporates a variety of information including, but not limited to, Mitchell unit availability, market price expectations, compliance testing requirements and contractual constraints of the plant's fuel supply. From this review, AEPSC Commercial Operations determines the commitment status of each unit for the next market day.
- c) Please see KPCO_R_SC_1_008_Attachment4.

Witness: Debra L. Osborne

Witness: Alex E. Vaughan

EXECUTION VERSION

ASSET CONTRIBUTION AGREEMENT

BETWEEN

AEP GENERATION RESOURCES INC.

AND

NEWCO KENTUCKY INC.

DECEMBER 31, 2013

EXECUTION VERSION

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ASSET CONTRIBUTION AGREEMENT

This **Asset Contribution Agreement** (this "Agreement"), dated as of December 31, 2013, is between **AEP Generation Resources Inc.**, a Delaware corporation ("Transferor"), and **Newco Kentucky Inc.**, a Kentucky corporation ("Transferee"). Collectively, Transferee and Transferor may be referred to herein as the "Parties" and each, individually, as a "Party."

W I T N E S S E T H

WHEREAS, Transferor owns the Mitchell Power Generation Facility in Moundsville, West Virginia, which is comprised of two 800 MW generating units and associated plant, equipment and facilities and certain other assets, improvements, properties (both tangible, including real and personal property, and intangible), and rights associated therewith or ancillary thereto, all as more specifically described in Schedule 1.01 (the "Mitchell Plant").

WHEREAS, Transferor desires to transfer and assign to Transferee, and Transferee desires to acquire and assume from Transferor, the Transferred Assets (as hereinafter defined) and certain liabilities, upon the terms and conditions hereinafter set forth;

WHEREAS, Transferor and Transferee intend that the transfer of the Transferred Assets contemplated herein qualify as contributions to capital under Section 351 of the Internal Revenue Code of 1986, as amended; and

WHEREAS, Transferor directly owns all of the outstanding capital stock of Transferee.

NOW, THEREFORE, in consideration of the premises and the mutual covenants, agreements, representations and warranties hereinafter set forth, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions.

(a) As used in this Agreement, the following terms have the following meanings:

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"Affiliate" means a Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Ancillary Agreements" means the Assumption Agreement, the Asset Transfer Agreement, the Deeds, the Assignment of Easements and Rights of Way, the Assignment of Real Property Leases, the Assignment of Contracts and any other agreements or instruments entered into between the Parties with respect to the transactions contemplated by this Agreement.

"Asset Transfer Agreement" means the Asset Transfer Agreement to be executed and delivered at Closing by Transferor to Transferee in substantially the form attached hereto as Exhibit E.

"Assignment of Contracts" means the Assignment of Contracts agreement to be entered into between Transferor and Transferee at Closing, in substantially the form attached hereto as Exhibit A.

"Assignment of Easements and Rights of Way" means the Assignments of Easements and Rights of Way agreements to be entered into by Transferor and Transferee at Closing, in substantially the form attached hereto as Exhibit B.

"Assignment of Real Property Leases" means the Assignment of Real Property Leases agreements to be entered into by Transferor and Transferee at Closing, in substantially the form attached hereto as Exhibit C.

"Assumed Liabilities" has the meaning set forth in Section 2.03.

"Assumed Payables" means payables owed by Transferor with respect to the Transferred Assets as generally set forth in Schedule 1.02.

"Assumption Agreement" means the Assumption Agreement to be entered into by Transferor and Transferee at Closing, in substantially the form attached hereto as Exhibit D.

"Business Day" means a day other than a Saturday, Sunday or day on which banks are permitted or required to remain closed in the state of Ohio.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended from time to time.

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"Closing" has the meaning set forth in Section 3.03.

"Closing Date" has the meaning set forth in Section 3.03.

"Contracts" has the meaning set forth in Section 4.01(i).

"CWIP" has the meaning set forth in the definition of "Improvements."

"Debt" means the long-term and short-term debt owed by Transferor as described in Schedule 1.03.

"Deeds" means those certain deeds to be executed and delivered at Closing by Transferor to Transferee.

"Deferred Tax Assets" means the Transferor's deferred tax assets relating to the Transferred Assets or any assumed Liability that is carried on its books.

"Deferred Tax Liability" means the Transferor's deferred tax liability relating to the Transferred Assets or any assumed Liability that is carried on its books.

"Easements and Rights of Way" means the easements and rights of way as described in Schedule 1.04.

"Effective Time" has the meaning set forth in Section 3.03.

"Emissions Allowances" means all authorizations issued to Transferor by a Governmental Authority pursuant to a statutory or regulatory program promulgated by a Governmental Authority pursuant to which air emissions sources subject to the program are authorized to emit a prescribed quantity of air emissions.

"Encumbrance" means any security interest, pledge, mortgage, lien, charge, option to purchase, lease, claim, restriction, covenant, title defect, hypothecation, assignment, deposit arrangement or other encumbrance of any kind or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or title retention agreement).

"Environmental Condition" means the presence or Release to the environment, whether at the Real Property or otherwise, of Hazardous Substances, including any migration of Hazardous Substances through air, soil or groundwater at, to or from the Real Property or at, to or from any Off-Site Location, regardless of when such presence or Release occurred or is discovered.

"Environmental Laws" means all (i) Laws relating to pollution or protection of the environment, natural resources or human health and safety, including Laws relating to Releases

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or threatened Releases of Hazardous Substances or otherwise relating to the manufacture, formulation, generation, processing, distribution, use, treatment, storage, Release, transport, remediation, abatement, cleanup or handling of Hazardous Substances; (ii) Laws with regard to recordkeeping, notification, disclosure and reporting requirements respecting Hazardous Substances; and (iii) Laws relating to the management or use of natural resources.

"Environmental Permits" has the meaning set forth in Section 4.01(g).

"Excluded Liabilities" has the meaning set forth in Section 2.04.

"FERC" means the Federal Energy Regulatory Commission.

"Franklin Real Property" means that certain real property held by Franklin Real Estate Company, a wholly owned subsidiary of the Parent, as agent for and for the benefit of Transferor's electric generation assets as more specifically described in Schedule 1.05.

"Generation Transmission Assets" has the meaning set forth in Section 2.01(p).

"Good Utility Practice" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods or acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition.

"Governmental Authority" means any: (i) nation, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, state, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature.

"Hazardous Substances" means (i) any petrochemical or petroleum products, oil or coal ash, radioactive materials, radon gas, asbestos in any form that is or could become friable, urea formaldehyde foam insulation and transformers or other equipment that contain dielectric fluid which may contain levels of polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials,"

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"extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

"Improvements" means all buildings, structures, machinery and equipment (including all fuel handling and storage facilities), fixtures, construction work in progress ("CWIP"), and other improvements, including all piping, cables and similar equipment forming part of the mechanical, electrical, plumbing or HVAC infrastructure of any building, structure or equipment, located on and affixed to the Real Property, the Leased Real Property and the Easements and Rights of Way.

"Intellectual Property" means all of the following and similar intangible property and related proprietary rights, interests and protections, however arising, (i) all software necessary to operate or maintain the Transferred Assets, (ii) confidential information, formulas, designs, devices, technology, know-how, research and development, inventions, methods, processes, compositions and other trade secrets, whether or not patentable and (iii) patented and patentable designs and inventions, all design, plant and utility patents, letters patent, utility models, pending patent applications and provisional applications and all issuances, divisions, continuations, continuations-in-part, reissues, extensions, reexaminations and renewals of such patents and applications.

"Inventories" means (i) all inventories of fuels and consumables owned by Transferor for use at the Mitchell Plant, whether located on Real Property, Leased Real Property or the Easements and Rights of Way associated with the Mitchell Plant or in transit thereto or stored offsite and (ii) all materials and supplies, including without limitation, spare parts, owned by Transferor for use at or in connection with the Mitchell Plant.

"Knowledge" means the actual and current knowledge of the corporate officer or officers of the specified Person charged with responsibility for the particular function as of the date of this Agreement, or, with respect to any certificate delivered pursuant to this Agreement, the date of delivery of the certificate, without any implication of verification or investigation concerning such knowledge.

"Laws" means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of the United States, any foreign country and any

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domestic or foreign state, county, city or other political subdivision or of any Governmental Authority.

"Leased Real Property" has the meaning set forth in Section 4.01(e)(i).

"Liability" means any liability or obligation, whether known or unknown, whether asserted or not asserted, whether absolute or contingent, whether accrued or not accrued, whether liquidated or not liquidated, whether incurred or consequential, and whether due or to become due.

"Material Adverse Effect" means (i) any event, circumstance or condition materially impairing the ability of Transferor to perform its obligations under this Agreement or any Ancillary Agreement or (ii) any change in or effect on Transferor or the Transferred Assets that is materially adverse to the Transferred Assets, other than (a) any change resulting from changes in the international, national, regional or local wholesale or retail markets for electricity, (b) any change resulting from changes in the international, national, regional or local markets for fuel or consumables used at the Mitchell Plant, (c) any change resulting from changes in the North American, national, regional or local electric transmission system, and (d) any change in Law generally applicable to similarly situated Persons.

"Mitchell Plant" has the meaning set forth in the first Recital.

"Net Book Value" means an amount in dollars, as reflected in the corresponding line item or items of the balance sheet of Transferor as of the applicable date for all Transferred Assets and all Assumed Liabilities. With respect to the Transferred Assets, Net Book Value is equal to total Transferred Assets net of accumulated depreciation or amortization as appropriate.

"Off-Site Location" means any real property other than the Real Property, the Leased Real Property or real property covered by the Easements and Rights of Way.

"Organizational Documents" means (i) the articles or certificate of incorporation and the bylaws of a corporation; (ii) the limited liability company or operating agreement and certificate of formation of a limited liability company; (iii) the partnership agreement and any statement of partnership of a general partnership; (iv) the limited partnership agreement and the certificate of limited partnership of a limited partnership; (v) any charter or similar document adopted or filed in connection with the creation, formation, or organization of a Person and (vi) any amendment to any of the foregoing.

"Parent" means American Electric Power Company, Inc.

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"Party" has the meaning set forth in the first paragraph of this Agreement.

"Permits" has the meaning set forth in Section 4.01(k).

"Permitted Encumbrances" means: (i) mechanics', carriers', workmen's, repairmen's or other like Encumbrances arising or incurred in the ordinary course of business that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (ii) Encumbrances for Taxes not yet due or which are being contested in good faith by appropriate proceedings and that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (iii) imperfections of title or encumbrances, if any, that, individually or in the aggregate, do not materially impair, and would not reasonably be expected to have a Material Adverse Effect; (iv) leases, subleases and similar agreements, and liens of any landlord or other third party on property over which Transfer has easement rights or on any Leased Real Property and subordination or similar agreements relating thereto; (v) leases, mineral reservations and conveyances, easements, covenants, rights-of-way and other similar restrictions of record; (vi) any conditions that may be shown by a current, accurate survey or physical inspection of the Real Property or the Leased Real Property made prior to the Closing; (vii) zoning, planning, conservation restriction and other land use and environmental regulations by Governmental Authorities; (viii) the respective rights and obligations of the Parties under this Agreement and the Ancillary Agreements; (ix) Encumbrances resulting from legal proceedings being contested in good faith by appropriate proceedings that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (x) other Encumbrances that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

"Person" means any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union, or other entity or Governmental Authority.

"Real Property" has the meaning set forth in Section 2.01(b).

"Real Property Leases" has the meaning set forth in Section 4.01(e)(i).

"Release" means any release, spill, leak, discharge, disposal of, pumping, pouring, emitting, emptying, injecting, leaching, dumping or allowing to escape into or through the environment.

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"Tax" means all federal, state, local and foreign taxes, charges, fees, levies, imposts, duties or other assessments, including, without limitation, income, gross receipts, excise, employment, sales, use, transfer, license, payroll, franchise, severance, stamp, occupation, windfall profits, environmental (including taxes under Code Section 59A), premium, federal highway use, commercial rent, customs duties, capital stock, paid up capital, profits, withholding, social security, single business and unemployment, disability, real property, personal property, registration, ad valorem, value added, alternative or add-on minimum, estimated, or other tax or governmental fee of any kind whatsoever, imposed or required to be withheld by any Governmental Authority, including any interest, penalties or additions thereto, whether disputed or not.

"Transferee" has the meaning set in the first paragraph of this Agreement.

"Transferor" has the meaning set forth in the first paragraph of this Agreement.

"Transferred Assets" has the meaning set forth in Section 2.01.

(b) **Interpretation.** In this Agreement, unless otherwise specified or where the context otherwise requires:

(i) a reference, without more, to a recital is to the relevant recital to this Agreement, to an Article or Section is to the relevant Article or Section of this Agreement, and to a Schedule or Exhibit is to the relevant Schedule or Exhibit to this Agreement;

(ii) words importing any gender shall include other genders;

(iii) words importing the singular only shall include the plural and vice versa;

(iv) the words "include," "includes" or "including" shall be deemed to be followed by the words "without limitation;"

(v) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;

(vi) reference to any applicable Law means, if applicable, such Law as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder;

(vii) "or" is used in the inclusive sense of "and/or";

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(viii) references to documents, instruments or agreements shall be deemed to refer as well to all addenda, exhibits, schedules or amendments thereto;

(ix) the words "hereof," "herein" and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement; and

(x) references to any party hereto or any other agreement or document shall include such party's successors and permitted assigns, but, if applicable, only if such successors and assigns are not prohibited by this Agreement.

**ARTICLE II
TRANSFER OF ASSETS**

Section 2.01 Transfer of Assets. Upon the terms and conditions set forth in this Agreement, at the Closing but effective as of the Effective Time, Transferor shall transfer, convey, assign and deliver to Transferee as a contribution to capital, and Transferee shall acquire and assume from Transferor as a contribution to capital, free and clear of all Encumbrances other than Permitted Encumbrances, an undivided fifty percent (50%) ownership interest in and to the following described assets (the "Transferred Assets"):

- (a) the Mitchell Plant;
- (b) the real property (including the Improvements) described in Schedule 2.01(b) (and together with the Franklin Real Property, the "Real Property");
- (c) the Real Property Leases(including the Improvements) ;
- (d) the Easements and Rights of Way (including the Improvements);
- (e) all Inventories;
- (f) the Contracts;
- (g) the Permits;
- (h) the Environmental Permits;
- (i) the Intellectual Property;
- (j) the Emissions Allowances;

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- (k) the Deferred Tax Assets;
- (l) all vehicles, equipment, machinery, furniture and other tangible personal property used in connection with the Mitchell Plant or located on or at the Real Property, the Leased Real Property and the Easements and Rights of Way, a partial list of which is described on Schedule 2.01(l);
- (m) the other assets described in Schedule 2.01(m);
- (n) all unexpired, transferable warranties and guarantees from manufacturers, vendors and other third parties with respect to any Improvement or item of real or tangible personal property constituting part of the Transferred Assets;
- (o) all books, purchase orders, operating records, operating, safety and maintenance manuals, engineering design plans, blueprints and as-built plans, specifications, procedures, studies, reports, equipment repair, safety, maintenance or service records, and similar items (subject to the right of Transferor to retain copies of same for its use), other than such items that are proprietary to third parties and accounting records (to the extent that any of the foregoing is contained in an electronic format, Transferor shall reasonably cooperate with Transferee to transfer such items to Transferee in a format that is reasonably acceptable to Transferee);
- (p) the electrical transmission facilities associated with the Mitchell Plant located at or forming part of the Mitchell Plant, including all energized switchyard facilities on the generation asset side of the appropriate interconnection points and real property directly associated therewith, all substation facilities and support equipment, as well as all permits, contracts and warranties related thereto, including those certain assets and facilities specifically identified on Schedule 2.01(p) (the "Generation Transmission Assets");
- (q) without limitation of any of the foregoing, Transferor is transferring to Transferee an undivided fifty percent (50%) ownership interest in and to all Mitchell Plant power generation function equipment including, but not limited to, generation step-up transformers, turbine-generators, plant power distribution equipment and such unit auxiliary transformers, forced draft fans, coal handling facilities, precipitator facilities, and protection and control equipment and systems that are associated with the Mitchell Plant;

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(r) the rights of Transferor in and to any causes of action against third parties relating to the Transferred Assets or any part thereof, including any claim for refunds (but excluding any refund, credit, penalty, payment, adjustment or reconciliation related to Taxes paid or due for periods ending prior to the Effective Time in respect of the Transferred Assets, whether such refund, credit, penalty, payment, adjustment or reconciliation is received as a payment or, subject to Section 3.02, as a credit against future Taxes payable), prepayments, offsets, recoupment, insurance proceeds, condemnation awards, judgments and the like, whether received as a payment or credit against future liabilities, relating specifically to Transferred Assets and relating to any period ending prior to, on or after the Effective Time;

(s) the rights of Transferor in, to and under all contracts, agreements, arrangements, permits or licenses of any nature and related to the Transferred Assets, which are not expressly excluded pursuant to Section 2.02 and of which the obligations of Transferor thereunder are not expressly excluded by Transferee pursuant to Section 2.04; and

(t) to the extent not otherwise described in this Section 2.01, all other assets and property, whether real or personal, tangible or intangible, that are associated with or used in connection with ownership and operation of the Mitchell Plant.

Section 2.02 Excluded Assets. Notwithstanding anything to the contrary contained in Section 2.01 or elsewhere in this Agreement, nothing in this Agreement shall constitute or be construed as conferring on Transferee, and Transferee is not acquiring, any right, title or interest in and to any properties, assets, business, operation, or division of Transferor or any of its Affiliates (other than Transferee) not expressly set forth in Section 2.01.

Section 2.03 Assumed Liabilities. On the Closing Date, Transferee shall execute and deliver the Assumption Agreement, pursuant to which, among other things, Transferee shall assume all Liabilities described therein and, in addition, Transferee shall assume fifty percent (50%) of the following Liabilities (collectively, the "Assumed Liabilities"):

(a) on the terms and subject to the conditions set forth in this Agreement, at the Closing, Transferee shall assume and become responsible for, and shall thereafter pay, perform and discharge as and when due the Liabilities arising under or related to the Transferred Assets whether arising from, or relating to, periods prior to, on or after the Effective Time;

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- (b) all Liability of Transferor with respect to the Assumed Payables;
- (c) all Liability of Transferor with respect to the Debt to the extent relating to periods of time after the Effective Time;
- (d) all Liability of Transferor with respect to the Deferred Tax Liability; and
- (e) all Liability of the Transferor with respect to the property Taxes related to the Transferred Assets.

2.04 Excluded Liabilities. Notwithstanding the foregoing provisions of Section 2.03, Transferee shall not assume by virtue of this Agreement, the Assumption Agreement or any other Ancillary Agreement, or the transactions contemplated hereby or thereby, or otherwise, and shall have no liability for any of the following Liabilities or any Liability of Transferor that is not related to the Transferred Assets (the "Excluded Liabilities"):

- (a) any Liabilities of Transferor in respect of any assets of Transferor that are not Transferred Assets;
- (b) any Liabilities in respect of Transferor's current income Taxes and any other Taxes not otherwise assumed pursuant to Section 2.03(d) and (e);
- (c) any fines and penalties imposed by any Governmental Authority resulting from any act or omission by Transferor and not related to the Transferred Assets;
- (d) any Liabilities of Transferor associated with the disposal of waste and by-products from the Kammer Plant into the Conner Run Impoundment at the Mitchell Plant site; and
- (e) any Liability of Transferor arising as a result of its execution and delivery of this Agreement or any Ancillary Agreement, the performance of its obligations hereunder or thereunder, or the consummation by Transferor of the transactions contemplated hereby or thereby.

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**ARTICLE III
ASSET TRANSFER; CLOSING**

Section 3.01 Asset Transfer. Transferor shall transfer to Transferee an undivided fifty percent (50%) ownership interest in and to the Transferred Assets at Net Book Value as of the Effective Time. In the event that final amounts for the Net Book Value of the Transferred Assets are not available on the Closing Date, the final Net Book Value of the Transferred Assets shall be determined and agreed to by Transferee and Transferor within ninety (90) days after the Closing Date. Transferor and Transferee agree to furnish each other with such documents and other records as may be reasonably requested in order to confirm the final Net Book Value of the Transferred Assets.

Section 3.02 Proration.

(a) Transferee and Transferor agree that all of the items normally prorated, including those listed below, relating to the business and operation of the Transferred Assets shall be prorated as of the Effective Time, with Transferor liable to the extent such items relate to any time period through the Effective Time, and Transferee liable to the extent such items relate to periods subsequent to the Effective Time:

(i) personal property, real estate, occupancy and any other Taxes, assessments and other charges, if any, on or with respect to the business and operation of the Transferred Assets. Provided, however, that the Parties shall not prorate any Taxes, assessments or charges relating to the Transferred Assets that are to be assumed by Transferee pursuant to Section 2.03;

(ii) rent, Taxes and other items payable by or to Transferor under any of the Contracts to be assigned to and assumed by the Transferee hereunder; and

(iii) sewer rents and charges for water, telephone, electricity and other utilities.

(b) In connection with such proration, in the event that actual figures are not available at the Closing Date, the proration shall be based upon the actual amount of such Taxes or fees for the preceding year (or appropriate period) for which actual Taxes or fees are available and such Taxes or fees shall be re-prorated upon request of either the Transferor or the

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Transferee made within ninety (90) days after the date that the actual amounts become available. Transferor and Transferee agree to furnish each other with such documents and other records as may be reasonably requested in order to confirm all adjustment and proration calculations made pursuant to this Section 3.02.

Section 3.03 Closing. The transfer, assignment, conveyance and delivery of the Transferred Assets, and the consummation of the other transactions contemplated by this Agreement, shall take place at a closing (the "Closing") to be held at the offices of American Electric Power, 1 Riverside Plaza, Columbus, Ohio 43215 at a time mutually acceptable to the Parties on the date of the execution and delivery of this Agreement by each of the Parties (the "Closing Date"). The Closing shall be effective for all purposes as of December 31, 2013 at 11:53 p.m. EST (the "Effective Time").

Section 3.04 Closing Deliveries.

(a) At the Closing, Transferor will deliver, or cause to be delivered, to Transferee the following items:

- (i) possession of the Transferred Assets;
- (ii) an original of each of the Deeds, duly executed and acknowledged by Transferor;
- (iii) an original of the Asset Transfer Agreement duly executed by Transferor;
- (iv) an original of the Assumption Agreement duly executed by Transferor;
- (v) an original of each Assignment of Easements and Rights of Way duly executed by Transferor;
- (vi) an original of each Assignment of Real Property Leases duly executed by Transferor;
- (vii) an original of the Assignment of Contracts duly executed by Transferor; and

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(viii) such other documents as are contemplated by this Agreement or as the Transferee may reasonably request to carry out the purposes of this Agreement.

(b) At the Closing, Transferee will deliver, or cause to be delivered, to Transferor the following items:

(i) an original of the Asset Transfer Agreement duly executed by Transferee;

(ii) an original of the Assumption Agreement duly executed by Transferee;

(iii) an original of each Assignment of Easements and Rights of Way duly executed by Transferee;

(iv) an original of each Assignment of Real Property Leases duly executed by Transferee;

(v) an original of the Assignment of Contracts duly executed by Transferee; and

(vi) such other documents as are contemplated by this Agreement or as the Transferor may reasonably request, including vehicle titles, to consummate the transactions contemplated hereby.

(c) Transferee may direct the Transferor at Closing to assign or transfer any portion of the Transferred Assets directly to one or more of its affiliates.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

Section 4.01 Representations and Warranties of Transferor. Transferor represents and warrants to Transferee as follows:

(a) Organization and Good Standing; Qualification. Transferor is a corporation duly formed, validly existing and in good standing under the laws of the state of Delaware. Transferor has all requisite power and authority to own, lease or operate the Transferred Assets and to carry on its business as it is now being conducted.

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(b) Authority and Enforceability. Transferor has full power and authority to execute and deliver, and carry out its obligations under, this Agreement and each Ancillary Agreement to which it is a party and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Transferor of this Agreement and each Ancillary Agreement to which it is a party, and the consummation of the transactions contemplated hereby and thereby, have been duly and validly authorized by all necessary action on the part of Transferor. Assuming the due authorization, execution and delivery of this Agreement and each Ancillary Agreement to which it is a party by Transferee, this Agreement and each such Ancillary Agreement constitutes a legal, valid and binding obligation of Transferor, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency and other similar laws affecting the rights and remedies of creditors generally and by general principles of equity.

(c) No Violation; Consents and Approvals.

(i) Neither the execution, delivery and performance by Transferor of this Agreement and each Ancillary Agreement to which it is a party, nor the consummation by Transferor of the transactions contemplated hereby and thereby, will (i) conflict with or result in any breach of any provision of the Organizational Documents of Transferor; (ii) result in a default (or give rise to any right of termination, cancellation or acceleration), or require a consent, under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, material agreement or other instrument or obligation to which Transferor is a party or by which it or any of the Transferred Assets may be bound, except for any such defaults or consents (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained or which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; or (iii) constitute a violation of any law, regulation, order, judgment or decree applicable to Transferor, except for any such violations as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(ii) Transferor has obtained all consents and approvals from each Governmental Authority necessary for the execution, delivery and performance of this Agreement by Transferor or of any Ancillary Agreement to which Transferor is a party, or the consummation by Transferor of the transactions contemplated hereby and thereby, other than

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such consents and approvals which, if not obtained or made, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) Insurance. All material policies of property, liability, workers' compensation and other forms of insurance owned or held by, or on behalf of, Transferor and insuring the Transferred Assets are in full force and effect, all premiums with respect thereto covering all periods up to and including the date hereof have been paid (other than retroactive premiums), and no notice of cancellation or termination has been received with respect to any such policy which was not replaced on substantially similar terms prior to the date of such cancellation.

(e) Leased Real Property.

(i) Schedule 4.01(e) sets forth a description of each lease of real property held by Transferor (the "Real Property Leases") and the real property covered thereby (the "Leased Real Property") that is to be transferred as contemplated herein by Transferor to Transferee.

(ii) Each Real Property Lease (a) constitutes a legal, valid and binding obligation of Transferor and, to Transferor's Knowledge, constitutes a valid and binding obligation of the other parties thereto and (b) is in full force and effect and Transferor has not delivered or received any written notice of termination thereunder.

(iii) There is not under any Real Property Lease any default or event which, with notice or lapse of time or both, (a) would constitute a default by Transferor or, to Transferor's Knowledge, any other party thereto, (b) would constitute a default by Transferor or, to Transferor's Knowledge, any other party thereto which would give rise to an automatic termination, or the right of discretionary termination, thereof, or (c) would cause the acceleration of any of Transferor's obligations thereunder or result in the creation of any Encumbrance (other than any Permitted Encumbrance) on any of the Transferred Assets. There are no claims, actions, proceedings or investigations pending or, to the Knowledge of Transferor, threatened against Transferor or any other party to any Real Property Lease before any Governmental Authority or body acting in an adjudicative capacity relating in any way to any Real Property Lease or the subject matter thereof. Transferor has no Knowledge of any defense, offset or counterclaim arising under any Real Property Lease.

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(f) Title; Condition of Assets.

(i) Subject to Permitted Encumbrances, Transferor holds title to the Real Property and the Easements and Rights of Way and has good and valid title thereto and to the other Transferred Assets that it purports to own or in which it has an interest, free and clear of all Encumbrances.

(ii) The tangible assets (real and personal) at, related to, or used in connection with Mitchell Plant, taken as a whole, (a) are in good operating and usable condition and repair, free from any defects (except for ordinary wear and tear, in light of their respective ages and historical usages, and except for such defects as do not materially interfere with the use thereof in the conduct of the normal operation and maintenance of the Transferred Assets taken as a whole) and (b) have been maintained consistent with Good Utility Practice.

(g) Environmental Matters. Except as disclosed in Section II of Schedule 4.01(g):

(i) Transferor holds, and is in compliance with, all permits, certificates, certifications, licenses and other authorizations issued by Governmental Authorities under Environmental Laws that are required for Transferor to conduct the business and operations of the Transferred Assets (collectively, "Environmental Permits"), and Transferor is otherwise in compliance with all applicable Environmental Laws with respect to the business and operations of the Transferred Assets, except for any such failures to hold or comply with required Environmental Permits, or such failures to be in compliance with applicable Environmental Laws, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(ii) Transferor has not received any written request for information, or been notified of any violation, or that it is a potentially responsible party, under CERCLA or any other Environmental Law for contamination or air emissions at the Mitchell Plant, the Real Property, the Leased Real Property or the real property covered by the Easements and Rights of Way, except for any such requests or notices that would result in liabilities under such laws as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and there are no claims, actions, proceedings or investigations pending or, to the Knowledge of Transferor, threatened against Transferor before any Governmental Authority or

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body acting in an adjudicative capacity relating in any way to any Environmental Laws or against Transferor or Parent concerning contamination or air emissions at the Mitchell Plant, the Real Property, the Leased Real Property or the real property covered by the Easements and Rights of Way; and

(iii) there are no outstanding judgments, decrees or judicial orders relating to the Transferred Assets regarding compliance with any Environmental Law or to the investigation or cleanup of Hazardous Substances under any Environmental Law relating to the Transferred Assets, except for such outstanding judgments, decrees or judicial orders as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(iv) Section I of Schedule 4.01(g) lists all material Environmental Permits. The representations and warranties made in this Section 4.01(g) are the exclusive representations and warranties of Transferor relating to environmental matters.

(h) Condemnation. There are no pending or, to the Knowledge of Transferor, threatened proceedings or governmental actions to condemn or take by power of eminent domain all or any part of the Transferred Assets.

(i) Contracts and Leases.

(i) Schedule 4.01(i) lists all written contracts, agreements, licenses (other than Environmental Permits, Permits or Intellectual Property) or personal property leases of Transferor that are material to the business or operations of the Transferred Assets (the "Contracts").

(ii) Each Contract (a) constitutes a legal, valid and binding obligation of Transferor and, to Transferor's Knowledge, constitutes a valid and binding obligation of the other parties thereto and (b) is in full force and effect and Transferor has not delivered or received any written notice of termination thereunder.

(iii) There is not under any Contract any default or event which, with notice or lapse of time or both, (a) would constitute a default by Transferor or, to Transferor's Knowledge, any other party thereto, (b) would constitute a default by Transferor or, to Transferor's Knowledge, any other party thereto which would give rise to an automatic termination, or the right of discretionary termination, thereof, or (c) would cause the acceleration

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of any of Transferor's obligations thereunder or result in the creation of any Encumbrance (other than any Permitted Encumbrance) on any of the Transferred Assets. There are no claims, actions, proceedings or investigations pending or, to the Knowledge of Transferor, threatened against Transferor or any other party to any Contract before any Governmental Authority or body acting in an adjudicative capacity relating in any way to any Contract or the subject matter thereof. Transferor has no Knowledge of any defense, offset or counterclaim arising under any Contract.

(j) Legal Proceedings. Except as set forth on Schedule 4.01(j), there are no actions or proceedings pending or, to the Knowledge of Transferor, threatened against Transferor before any court, arbitrator or Governmental Authority, which, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. Transferor is not subject to any outstanding judgments, rules, orders, writs, injunctions or decrees of any court, arbitrator or Governmental Authority that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(k) Permits.

(i) Transferor has all permits, licenses, franchises and other governmental authorizations, consents and approvals (other than Environmental Permits, which are addressed in Section 4.01(g)) necessary to own and operate the Transferred Assets (collectively, "Permits"), except where any failures to have such Permits would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Transferor has not received any written notification that Transferor is in violation, nor does Transferor have Knowledge of any violations, of any such Permits, or any Law or judgment of any Government Authority applicable to Transferor with respect to the Transferred Assets, except for violations that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(ii) Schedule 4.01(k) lists all material Permits (other than Environmental Permits).

(l) Taxes. To the Knowledge of Transferor, Transferor has filed all Tax Returns that are required to be filed by it with respect to any Tax relating to the Transferred Assets, and Transferor has paid all Taxes that have become due as indicated thereon, except where such Tax is being contested in good faith by appropriate proceedings, or where any

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failures to so file or pay would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. There are no Encumbrances for Taxes on the Transferred Assets that are not Permitted Encumbrances.

(m) Intellectual Property. Transferor has such ownership of or such rights by license or other agreement to use all Intellectual Property necessary to permit Transferor to conduct its business with respect to the Transferred Assets as currently conducted, except where any failures to have such ownership, license or right to use would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Transferor is not, nor has Transferor received any notice that Transferor is, in default (or with the giving of notice or lapse of time or both, would be in default) under any contract to use such Intellectual Property, and there are no material restrictions on the transfer of any material contract, or any interest therein, held by Transferor in respect of such Intellectual Property. Transferor has not received notice that it is infringing any Intellectual Property of any other Person in connection with the operation or business of the Transferred Assets.

(n) Compliance with Laws. Transferor is in compliance with all applicable Laws with respect to the ownership or operation of the Transferred Assets, except where any such failures to be in compliance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(o) Limitation of Representations and Warranties. **EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT AND IN ANY ANCILLARY AGREEMENT, TRANSFEROR IS NOT MAKING, AND HEREBY DISCLAIMS, ANY OTHER REPRESENTATIONS AND WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, CONCERNING TRANSFEROR OR THE TRANSFERRED ASSETS OR ANY PART THEREOF.**

Section 4.02 Representations and Warranties of Transferee. Transferee represents and warrants to Transferor as follows:

(a) Organization and Good Standing. Transferee is a corporation duly formed, validly existing and in good standing under the laws of the state of Kentucky and has all requisite power and authority to own, lease or operate its properties and to carry on its business as it is now being conducted.

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(b) Authority and Enforceability. Transferee has full power and authority to execute and deliver and carry out its obligations under this Agreement and each Ancillary Agreement to which it is a party, and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Transferee of this Agreement and each such Ancillary Agreement, and the consummation of the transactions contemplated hereby and thereby, have been duly and validly authorized by all necessary action by Transferee. Assuming the due authorization, execution and delivery of this Agreement and each such Ancillary Agreement by the other party or parties thereto, each of this Agreement and each such Ancillary Agreement constitutes a legal, valid and binding obligation of Transferee, enforceable against Transferee in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency and other similar laws affecting the rights and remedies of creditors generally and by general principles of equity.

(c) No Violation; Consents and Approvals.

(i) Neither the execution, delivery and performance by Transferee of this Agreement and each Ancillary Agreement to which Transferee is a party, nor the consummation by Transferee of the transactions contemplated hereby and thereby, will (a) conflict with or result in any breach of any provision of the Organizational Documents of Transferee; (b) result in a default (or give rise to any right of termination, cancellation or acceleration), or require a consent, under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, material agreement or other instrument or obligation to which Transferee is a party or by which any of their respective material properties or assets may be bound, except for any such defaults or consents (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained or which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the ability of Transferee to perform its obligations under this Agreement and the Ancillary Agreements; or (c) constitute a violation of any law, regulation, order, judgment or decree applicable to Transferee, except for any such violations as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the ability of Transferee to perform its obligations under this Agreement and the Ancillary Agreements.

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(ii) Transferee has obtained all consents and approvals from each Governmental Authority or other Person necessary for the execution and delivery of this Agreement or any Ancillary Agreement by Transferee, or the consummation by Transferee of the transactions contemplated hereby and thereby, except for any such consents and approvals which, if not obtained or made, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the ability of Transferee to perform its obligations under this Agreement and the Ancillary Agreements.

(d) Legal Proceedings. There are no actions or proceedings pending or, to the Knowledge of Transferee, threatened against Transferee before any court, arbitrator or Governmental Authority, which, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on the ability of Transferee to perform its obligations under this Agreement and the Ancillary Agreements. Transferee is not subject to any outstanding judgments, rules, orders, writs, injunctions or decrees of any court, arbitrator or Governmental Authority which, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on the ability of Transferee to perform its obligations under this Agreement and the Ancillary Agreements.

ARTICLE V

CERTAIN COVENANTS AND AGREEMENTS

Section 5.01 Transfer Tax; Recording Costs. All transfer, use, stamp, sales and similar Taxes and recording costs incurred in connection with this Agreement and the transactions contemplated hereby shall be the sole responsibility of Transferee.

Section 5.02 Further Assurances.

(a) Subject to the terms and conditions of this Agreement, Transferor and Transferee shall use commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable Laws to consummate and make effective the transfer of the Transferred Assets pursuant to this Agreement and the assumption of the Assumed Liabilities, including using commercially reasonable efforts with a view to obtaining all necessary consents, approvals and authorizations of, and making all required notices or filings with, third parties required to be obtained or made in order to consummate the transactions hereunder, including the transfer of the Environmental

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Permits and the Permits to Transferee. Neither Transferor, on the one hand, nor Transferee, on the other hand, shall, without prior written consent of the other, take or fail to take any action which might reasonably be expected to prevent or materially impede, interfere with or delay the transactions contemplated by this Agreement.

(b) In the event that any portion of the Transferred Assets shall not have been conveyed to Transferee at the Closing, Transferor shall, subject to paragraphs (c) and (d) immediately below, convey such asset to Transferee as promptly as practicable after the Closing.

(c) To the extent, if any, that Transferor's rights under any Contract, Real Property Leases or Easements and Rights of Way may not be assigned without the consent of any other party thereto, which consent has not been obtained by the Closing Date, this Agreement shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof or be unlawful. Transferor and Transferee agree that if any consent to an assignment of any Contract, Real Property Lease or Easement and Right of Way has not been obtained at the Closing Date, or if any attempted assignment would be ineffective or would impair Transferee's rights and obligations under the Contract, Real Property Lease or Easement and Right of Way in question, so that Transferee would not in effect acquire the benefit of all such rights and obligations, Transferor, at its option and to the maximum extent permitted by law and such Contract, Real Property Lease or Easement and Right of Way, shall, after the Closing Date, (i) appoint Transferee to be Transferor's agent with respect to such Contract, Real Property Lease or Easement and Right of Way or (ii) to the maximum extent permitted by law and such Contract, Real Property Lease or Easement and Right of Way, enter into such reasonable arrangements with Transferee or take such other commercially reasonable actions to provide Transferee with the same or substantially similar rights and obligations of such Contract, Real Property Lease or Easement and Right of Way. From and after the Closing Date, Transferor and Transferee shall cooperate and use commercially reasonable efforts to obtain an assignment to Transferee of any such Contract, Real Property Lease or Easement and Right of Way.

(d) To the extent that Transferor's rights under any warranty or guaranty described in Section 2.01(n) may not be assigned without the consent of another Person, which consent has not been obtained by the Closing Date, this Agreement shall not constitute an

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agreement to assign the same, if an attempted assignment would constitute a breach thereof or be unlawful. The Parties agree that if any consent to an assignment of any such warranty or guaranty has not been obtained or if any attempted assignment would be ineffective or would impair Transferee's rights and obligations under the warranty or guaranty in question, so that Transferee would not in effect acquire the benefit of all such rights and obligations, Transferor shall use commercially reasonable efforts to the extent permitted by law and such warranty or guaranty, to enforce such warranty or guaranty for the benefit of Transferee to the maximum extent possible so as to provide Transferee with the benefits and obligations of such warranty or guaranty. Notwithstanding the foregoing, Transferor shall not be obligated to bring or file suit against any third party, provided that if Transferor determines not to bring or file suit after being requested by Transferee to do so, Transferor shall assign, to the extent permitted by law or any applicable agreement, its rights in respect of the claims so that Transferee may bring or file such suit.

Section 5.03 Survival. The representations and warranties of the Parties contained herein shall not survive the Closing and thereafter shall be of no further force and effect.

ARTICLE VI
MISCELLANEOUS PROVISIONS

Section 6.01 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given (i) on the day when delivered personally or by e-mail (with confirmation) or facsimile transmission (with confirmation), (ii) on the next Business Day when delivered to a nationally recognized overnight delivery service, or (iii) five (5) Business Days after deposited as registered or certified mail (return receipt requested), in each case, postage prepaid, addressed to the recipient Party at its address set forth below (or to such other addresses and e-mail and facsimile numbers for a Party as shall be specified by like notice; provided, however, that any notice of a change of address or e-mail or facsimile number shall be effective only upon receipt thereof):

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If to Transferor, to:

AEP Generation Resources Inc.
1 Riverside Plaza
Columbus, OH 43215
Attn: President
Facsimile No.: (614) 716-1404
Email: cezebula@aepes.com

If to Transferee, to:

Newco Kentucky Inc.
1 Riverside Plaza
Columbus, OH 43215
Attn: Vice President
Facsimile No.: (614) 716-2904
Email: jdcross@aep.com

Section 6.02 Waiver. The rights and remedies of the Parties are cumulative and not alternative. Neither the failure nor any delay by any Party in exercising any right, power, or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege. To the maximum extent permitted by applicable Law, (a) no claim or right arising out of this Agreement or the documents referred to in this Agreement can be discharged by one Party, in whole or in part, by a waiver or renunciation of the claim or right unless in writing signed by each other Party; (b) no waiver that may be given by a Party will be applicable except in the specific instance for which it is given; and (c) no notice to or demand on one Party will be deemed to be a waiver of any obligation of such Party or of the right of the Party giving such notice or demand to take further action without notice or demand as provided in this Agreement or the documents referred to in this Agreement.

Section 6.03 Entire Agreement; Amendment; Etc.

(a) This Agreement and the Ancillary Agreements, including the Schedules, Exhibits, documents, certificates and instruments referred to herein or therein, embody the entire agreement and understanding of the Parties hereto in respect of the transactions contemplated by this Agreement. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein or therein. This Agreement

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supersedes all prior or contemporaneous agreements, understandings or statements or agreements between the Parties, whether written or oral, with respect to the transactions contemplated hereby. Each Party acknowledges and agrees that no employee, officer, agent or representative of the other Party has the authority to make any representations, statements or promises in addition to or in any way different than those contained in this Agreement and the Ancillary Agreements, and that it is not entering into this Agreement or the Ancillary Agreements in reliance upon any representation, statement or promise of the other Party except as expressly stated herein or therein.

(b) This Agreement may not be amended, supplemented, terminated or otherwise modified except by a written agreement executed by Transferor and Transferee.

(c) This Agreement shall be binding upon and inure solely to the benefit of each Party hereto and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 6.04 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by, on the one hand, Transferor, and, on the other hand, Transferee, in whole or in part (whether by operation of law or otherwise), without the prior written consent of the other Party, and any attempt to make any such assignment without such consent will be null and void. Notwithstanding the foregoing, Transferor or Transferee may assign or otherwise transfer its rights hereunder and under any Ancillary Agreement to any bank, financial institution or other lender providing financing to Transferor or Transferee, as applicable, as collateral security for such financing; provided, however, that no such assignment shall (i) impair or materially delay the consummation of the transactions contemplated hereby or (ii) relieve or discharge Transferor or Transferee, as the case may be, from any of its obligations hereunder and thereunder.

Section 6.05 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or

EXECUTION VERSION

legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties will negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 6.06 Governing Law. This Agreement, the construction of this Agreement, all rights and obligations between the Parties to this Agreement, and any and all claims arising out of or relating to the subject matter of this Agreement (including all tort and contract claims) will be governed by and construed in accordance with the laws of the state of Ohio, without giving effect to choice of law principles thereof.

Section 6.07 Counterparts: Facsimile Execution. This Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement and will become effective when one or more counterparts have been signed by each of the Parties and delivered to each other Party, it being understood that the Parties need not sign the same counterpart. This Agreement may be executed by facsimile signature(s) or signatures in portable document format.

Section 6.08 Schedules. The Schedules to this Agreement are intended to be and hereby are specifically made a part of this Agreement.

Section 6.09 Specific Performance. The Parties hereto agree that irreparable damage would occur in the event any of the provisions of this Agreement were not to be performed in accordance with the terms hereof and that the Parties will be entitled to specific performance of the terms hereof in addition to any other remedies at law or in equity.

Signatures appear on following page

EXECUTION VERSION

IN WITNESS WHEREOF, each of the Parties has caused this Asset Contribution Agreement to be executed on its behalf by its respective officer thereunto duly authorized, all as of the day and year first above written.

TRANSFEROR

AEP GENERATION RESOURCES INC.

By: 
Charles E. Zebula, President

TRANSFeree

NEWCO KENTUCKY INC.

By: 
Jeffrey D. Cross, Vice President

EXHIBIT A TO ASSET CONTRIBUTION AGREEMENT

ASSIGNMENT OF CONTRACTS

This **Assignment of Contracts** (this "Assignment") from **AEP Generation Resources Inc.**, a Delaware corporation ("Assignor"), to **Newco Kentucky Inc.**, a Kentucky corporation ("Assignee"), is executed on the ___ day of December, 2013, but effective for all purposes on the ___ day of December, 2013 at 11:53 p.m. EST (the "Effective Time"). All capitalized terms used but not defined in this Agreement have the meanings assigned to such terms in the Asset Contribution Agreement (as defined below).

WHEREAS, Assignor and Assignee are parties to that certain Asset Contribution Agreement dated December __, 2013 (the "Asset Contribution Agreement"); and

WHEREAS, Assignor is a party to the contracts and agreements set forth on Exhibit A attached hereto (collectively, the "Contracts"); and

WHEREAS, pursuant to the Asset Contribution Agreement, Assignor has agreed to assign to Assignee an undivided one-half of its right, title and interest in and to the Contracts as hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Assignment**. Effective as of the Effective Date, Assignor, pursuant to the terms and conditions of the Asset Contribution Agreement, hereby transfers and assigns to Assignee an undivided one-half of Assignor's right, title and interest in and to the Contracts listed in Exhibit A.
2. **Assumption**. Assignee hereby accepts such interests in and to the Contracts and assumes and becomes responsible for, and shall hereafter pay, perform and discharge as and when due one-half of the Liabilities arising under the Contracts listed in Exhibit A.
3. **Further Assurances**. From and after the date hereof, Assignor and Assignee shall, without further consideration, execute, deliver and take such actions as may be reasonably required of them to accomplish assignment of the Contracts and otherwise consummate the transactions contemplated by this Assignment and the Asset Contribution Agreement.
4. **Subject To Asset Contribution Agreement**. This Assignment is expressly subject to the terms and conditions of the Asset Contribution Agreement. In the event of a conflict between the terms of this Assignment and the Asset Contribution Agreement, the terms of the Asset Contribution Agreement shall control.

5. **Successors and Assigns.** The terms and provisions of this Assignment shall be binding upon and inure to the benefit of the respective parties hereto, and their respective successors and assigns.
6. **Counterparts.** This Assignment may be executed in any number of counterparts and each such executed counterpart (including electronically transmitted counterparts) shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate, but one and the same instrument.
7. **Entire Agreement.** This Assignment, together with the Asset Contribution Agreement, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, supersedes and is in full substitution for any and all prior agreements and understandings between them relating to such subject matter, and no party hereto shall be liable or bound to any other party hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein and therein. The Exhibit to this Assignment is hereby incorporated and made a part hereof and is an integral part of this Assignment.

Signatures appear on the following page

EXECUTED as of the date first set forth but effective for all purposes as of the Effective Time.

ASSIGNOR:

AEP GENERATION RESOURCES INC.

By: _____
Name
Title

ASSIGNEE:

NEWCO KENTUCKY INC.

By: _____
Name:
Title:

EXHIBIT A
CONTRACTS

An undivided one-half of Assignor's interest in and to the following Mitchell Plant contracts and agreements are being assigned:

EXHIBIT B TO ASSET CONTRIBUTION AGREEMENT

ASSIGNMENT OF EASEMENTS AND RIGHTS OF WAY

This **Assignment of Easements and Rights Of Way** (this "Assignment") from **AEP Generation Resources Inc.**, a Delaware corporation ("Assignor"), to **Newco Kentucky Inc.**, a Kentucky corporation ("Assignee"), is executed on the dates set forth in the respective notary certifications below, but effective for all purposes on December 31, 2013 at ____ p.m. EST (the "Effective Time").

WHEREAS, Assignor and Assignee are parties to that certain Asset Contribution Agreement dated December __, 2013 (the "Asset Contribution Agreement").

WHEREAS, Assignor has acquired certain easements and rights of way used by it in connection with the Mitchell Plant electric generating facilities on lands situated in Marshall County, West Virginia pursuant to those easement and rights of way agreements set forth on Exhibit A attached hereto (collectively, the "Easements and Rights of Way").

WHEREAS, pursuant to the Asset Contribution Agreement, Assignor has agreed to assign to Assignee one-half of its right, title and interest in and to the Easements and Rights of Way as hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Assignment**. Effective as of the Effective Date, Assignor, pursuant to the terms and conditions of the Asset Contribution Agreement, hereby quitclaims, transfers and assigns to Assignee an undivided one-half of Assignor's right, title and interest in and to the Easements and Rights of Way listed in Exhibit A.
2. **Assumption**. Assignee hereby accepts all such rights, title and interest in and to the Easements and Rights of Way and assumes and becomes responsible for, and shall hereafter pay, perform and discharge as and when due one-half of the liabilities and obligations arising under the Easements and Rights of Way listed in Exhibit A.
3. **Further Assurances**. From and after the date hereof, Assignor and Assignee shall, without further consideration, execute, deliver and (if applicable) file or record, or cause to be executed, delivered and filed or recorded, all instruments, and take such actions, as may be reasonably required of Assignor or Assignee to accomplish the conveyance and transfer of the Easements and Rights of Way and otherwise consummate the transactions contemplated by this Assignment and the Asset Contribution Agreement.
4. **Subject To Asset Contribution Agreement**. This Assignment is expressly subject to the terms and conditions of the Asset Contribution Agreement. In the event of a

conflict between the terms of this Assignment and the Asset Contribution Agreement, the terms of the Asset Contribution Agreement shall control.

5. **Successors and Assigns.** The terms and provisions of this Assignment shall be binding upon and inure to the benefit of the respective parties hereto, and their respective successors and assigns.
6. **Counterparts.** This Assignment may be executed in any number of counterparts and each such executed counterpart (including electronically transmitted counterparts) shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate, but one and the same instrument.
7. **Entire Agreement.** This Assignment, together with the Asset Contribution Agreement, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, supersedes and is in full substitution for any and all prior agreements and understandings between them relating to such subject matter, and no party hereto shall be liable or bound to any other party hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein and therein. The Exhibit to this Assignment is hereby incorporated and made a part hereof and is an integral part of this Assignment.

Signatures appear on the following page

EXECUTED as of the dates set forth in the notary certifications below, but effective for all purposes as of the Effective Time.

ASSIGNOR:

AEP GENERATION RESOURCES INC.

By: _____
Name
Title

ASSIGNEE:

NEWCO KENTUCKY INC.

By: _____
Name:
Title:

STATE OF OHIO)
COUNTY OF FRANKLIN) To Wit:

The foregoing instrument was acknowledged before me this ___ day of December, 2013, by _____, as _____ of _____, on behalf of the corporation.

My Commission Expires: _____
Notary Public _____

STATE OF OHIO)
COUNTY OF FRANKLIN) To Wit:

The foregoing instrument was acknowledged before me this ___ day of December, 2013,
by _____, as _____ of _____, on
behalf of the corporation.

Notary Public

My Commission Expires: _____

This Instrument Prepared by Kenneth McDonough, Assistant General Counsel – Real Estate,
American Electric Power Service Corporation, 1 Riverside Plaza, Columbus, Ohio, 43215, for
and on behalf of AEP Generation Resources Inc.

EXHIBIT A

EASEMENTS AND RIGHTS OF WAY

One-half of the following easements and rights of way related to the Mitchell Plant and located in Marshall County, West Virginia are being assigned:

EXHIBIT C TO ASSET CONTRIBUTION AGREEMENT

ASSIGNMENT OF REAL PROPERTY LEASES

This **Assignment of Real Property Leases** (this "Assignment") from **AEP Generation Resources Inc.**, a Delaware corporation ("Assignor"), to **Newco Kentucky Inc.**, a Kentucky corporation ("Assignee"), is executed on the dates set forth in the respective notary certifications below, but effective for all purposes on December __, 2013 at ___ p.m. EST (the "Effective Time").

WHEREAS, Assignor and Assignee are parties to that certain Asset Contribution Agreement dated December __, 2013 (the "Asset Contribution Agreement").

WHEREAS, Assignor is the lessee under certain leases of real property of lands situated in Marshall County, West Virginia pursuant to the real property leases set forth on Exhibit A attached hereto (collectively, the "Real Property Leases").

WHEREAS, pursuant to the Asset Contribution Agreement, Assignor has agreed to assign to Assignee an undivided one-half of its right, title and interest in and to the Real Property Leases as hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Assignment**. Effective as of the Effective Time, Assignor, pursuant to the terms and conditions of the Asset Contribution Agreement, hereby transfers and assigns to Assignee an undivided one-half of Assignor's right, title and interest in and to the Real Property Leases listed in Exhibit A.
2. **Assumption**. Assignee hereby accepts all such rights, title and interest in and to the Real Property Leases and assumes and becomes responsible for, and shall hereafter pay, perform and discharge as and when due one-half of the liabilities and obligations arising under the Real Property Leases listed in Exhibit A.
3. **Further Assurances**. From and after the date hereof, Assignor and Assignee shall, without further consideration, execute, deliver and (if applicable) file or record, or cause to be executed, delivered and filed or recorded, all instruments, and take such actions, as may be reasonably required of Assignor or Assignee to accomplish the conveyance and transfer of the Real Property Leases and otherwise consummate the transactions contemplated by this Assignment and the Asset Contribution Agreement.
4. **Subject To Asset Contribution Agreement**. This Assignment is expressly subject to the terms and conditions of the Asset Contribution Agreement. In the event of a conflict between the terms of this Assignment and the Asset Contribution Agreement, the terms of the Asset Contribution Agreement shall control.

5. **Successors and Assigns.** The terms and provisions of this Assignment shall be binding upon and inure to the benefit of the respective parties hereto, and their respective successors and assigns.
6. **Counterparts.** This Assignment may be executed in any number of counterparts and each such executed counterpart (including electronically transmitted counterparts) shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate, but one and the same instrument.
7. **Entire Agreement.** This Assignment, together with the Asset Contribution Agreement, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, supersedes and is in full substitution for any and all prior agreements and understandings between them relating to such subject matter, and no party hereto shall be liable or bound to any other party hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein and therein. The Exhibit to this Assignment is hereby incorporated and made a part hereof and is an integral part of this Assignment.

EXECUTED as of the dates set forth in the notary certifications below, but effective for all purposes as of the Effective Time.

ASSIGNOR:

AEP GENERATION RESOURCES INC.

By: _____
Name
Title

ASSIGNEE:

NEWCO KENTUCKY INC.

By: _____
Name:
Title:

STATE OF OHIO)
COUNTY OF FRANKLIN) To Wit:

The foregoing instrument was acknowledged before me this ___ day of December, 2013,
by _____, as _____ of _____, on
behalf of the corporation.

My Commission Expires: _____
Notary Public _____

STATE OF OHIO)
COUNTY OF FRANKLIN) To Wit:

The foregoing instrument was acknowledged before me this ___ day of December, 2013,
by _____, as _____ of _____, on
behalf of the corporation.

My Commission Expires: _____
Notary Public _____

This Instrument Prepared by Kenneth McDonough, Assistant General Counsel – Real Estate,
American Electric Power Service Corporation, 1 Riverside Plaza, Columbus, Ohio, 43215, for
and on behalf of AEP Generation Resources Inc.

EXHIBIT A
REAL PROPERTY LEASES

An undivided one-half interest in the following leases of real property related to the Mitchell Plant and located in Marshall County, West Virginia are being assigned:

EXHIBIT D TO ASSET CONTRIBUTION AGREEMENT

ASSUMPTION AGREEMENT

This **Assumption Agreement** between **AEP Generation Resources Inc.**, a Delaware corporation ("**Genco**"), and **Newco Kentucky Inc.**, a Kentucky corporation ("**Newco**"), is executed on the __ day of December, 2013, but effective for all purposes on the __ day of December, 2013 at ____ p.m. EST (the "**Effective Time**"). All capitalized terms used but not defined in this Agreement have the meanings assigned to such terms in the Asset Contribution Agreement (as defined below).

WHEREAS, Genco and Newco are parties to that certain Asset Contribution Agreement dated December __, 2013 (the "**Asset Contribution Agreement**").

WHEREAS, pursuant to the Asset Contribution Agreement, Newco has agreed to assume fifty percent (50%) of the Assumed Liabilities.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Genco and Newco agree as follows:

1. **Assumption of Assumed Liabilities.** On the terms set forth herein and in the Asset Contribution Agreement, Newco hereby assumes and shall become responsible for, and shall hereafter pay, perform and discharge as and when due, fifty percent (50%) of the Assumed Liabilities.
2. **Further Assurances.** From and after the date hereof, Genco and Newco shall, without further consideration, execute, deliver and take such actions as may be reasonably required of them to effectuate Newco's assumption of fifty percent (50%) of the Assumed Liabilities as contemplated by this Assumption Agreement and the Asset Contribution Agreement.
3. **Subject To Asset Contribution Agreement.** This Agreement is expressly subject to the terms and conditions of the Asset Contribution Agreement. In the event of a conflict between the terms of this Assumption Agreement and the Asset Contribution Agreement, the terms of the Asset Contribution Agreement shall control.
4. **Successors and Assigns.** The terms and provisions of this Assumption Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
5. **Counterparts.** This Agreement may be executed in any number of counterparts, and each such executed counterpart (including electronically transmitted counterparts) shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate, but one and the same instrument.

6. **Entire Agreement.** This Assumption Agreement, together with the Asset Contribution Agreement, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, supersedes and is in full substitution for any and all prior agreements and understandings between them relating to such subject matter, and no party hereto shall be liable or bound to any other party hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein and therein.

EXECUTED as of the date first set forth but effective for all purposes as of the Effective Time.

AEP GENERATION RESOURCES INC.

By: _____
Name
Title

NEWCO KENTUCKY INC.

By: _____
Name:
Title:

EXHIBIT E TO ASSET CONTRIBUTION AGREEMENT

ASSET TRANSFER AGREEMENT

This **Asset Transfer Agreement** (this "Agreement") from **AEP Generation Resources Inc.**, a Delaware corporation ("Genco"), to **Newco Kentucky Inc.**, a Kentucky corporation ("Newco"), is executed on the ___ day of December, 2013, but effective for all purposes on the ___ day of December, 2013 at ___ p.m. EST (the "Effective Time"). All capitalized terms used but not defined in this Agreement have the meanings assigned to such terms in the Asset Contribution Agreement (as defined below).

WHEREAS, Genco and Newco are parties to that certain Asset Contribution Agreement dated December __, 2013 (the "Asset Contribution Agreement").

WHEREAS, pursuant to the Asset Contribution Agreement, Genco has agreed to transfer to Newco an undivided fifty percent (50%) of its right, title and interest in and to the Mitchell Plant Inventories, vehicles, equipment, machinery, furniture and other tangible personal property used in connection with the Mitchell Plant or located on or at the Mitchell Plant Real Property, the Mitchell Plant Leased Real Property and the Mitchell Plant Easements and Rights of Way (the "Transferred Assets¹").

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Genco and Newco agree as follows:

- 1. Conveyance of Transferred Assets.** Genco does hereby transfer, convey and deliver to Newco free and clear of any liens or encumbrances, other than Permitted Encumbrances, an undivided fifty percent (50%) of its right, title and interest in and to the Transferred Assets.
- 2. Further Assurances.** From and after the date hereof, Genco and Newco shall, without further consideration, execute, deliver and take such actions as may be reasonably required of them to accomplish the transfer of the undivided fifty percent (50%) interest in the Transferred Assets and otherwise consummate the transactions contemplated by this Agreement and the Asset Contribution Agreement.
- 3. Subject To Asset Contribution Agreement.** This Agreement is expressly subject to the terms and conditions of the Asset Contribution Agreement. In the event of a conflict between the terms of this Agreement and the Asset Contribution Agreement, the terms of the Asset Contribution Agreement shall control.
- 4. Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

¹ Exclusive of Real Property interests, which will be transferred by deed.

5. **Counterparts.** This Agreement may be executed in any number of counterparts, and each such executed counterpart (including electronically transmitted counterparts) shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate, but one and the same instrument.
6. **Entire Agreement.** This Agreement, together with the Asset Contribution Agreement, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, supersedes and is in full substitution for any and all prior agreements and understandings between them relating to such subject matter, and no party hereto shall be liable or bound to any other party hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein and therein.

EXECUTED as of the date first set forth but effective for all purposes as of the Effective Time.

AEP GENERATION RESOURCES INC.

By: _____
Name
Title

NEWCO KENTUCKY INC.

By: _____
Name:
Title:

SCHEDULE 1.01 TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

MITCHELL PLANT DESCRIPTION

The Mitchell Plant is a 1560 MW coal fired generation facility located in Moundsville, West Virginia and comprised of Unit 1 (770 MW) and Unit 2 (790 MW).

SCHEDULE 1.02 TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

ASSUMED PAYABLES

On the terms and subject to the conditions set forth in the Asset Contribution Agreement, upon Closing, Transferee will assume and shall thereafter pay, perform and discharge the liability of Transferor with respect to the following Assumed Payables:

Accrued property taxes
Accrued interest
Accrued lease expenses
Accrued worker compensation related expenses
Accrued pension related liabilities
Other accrued liabilities

SCHEDULE 1.03 TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

DEBT

On the terms and subject to the conditions set forth in the Asset Contribution Agreement, upon Closing, Transferee will assume and shall thereafter pay, perform and discharge the liability of Transferor with respect to the following Debt to the extent relating to periods of time after the Effective Date:

\$200M Term Credit Facility

WVEDA Series 2008A \$65,000,000

SCHEDULE 1.04 TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

EASEMENTS AND RIGHTS OF WAY

None.

SCHEDULE 1.05 TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

FRANKLIN REAL PROPERTY

Mitchell Plant

Marshall, WV

607 ac +/- future landfill

SCHEDULE 2.01(b) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

REAL PROPERTY

| <u>Asset Name</u> | <u>County</u> | <u>State</u> | <u>Description</u> |
|-------------------|---------------|--------------|--------------------|
| Mitchell Plant | Marshall | WV | 1150 ac +/- |

SCHEDULE 2.01(I) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

TANGIBLE PERSONAL PROPERTY

Following is a partial list of all vehicles, equipment, machinery, furniture, and other tangible personal property located on or at the Real Property, the Leased Real Property, and the Easements and Rights of Way associated with Mitchell Plant:

Office furniture and equipment
Transportation equipment
Stores equipment
Tools, shop and garage equipment
Laboratory equipment
Power operated equipment
Communication equipment
Miscellaneous equipment
Other tangible personal property

SCHEDULE 2.01(m) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

MISCELLANEOUS

Mountaineer Conveyor

An undivided 50% interest in the "Limited Conveyor System" consisting of Conveyor C-39, a portion of conveyor C-40, the unloader, and the radial stacker used for the disposal of Mitchell Plant byproduct at Mountaineer Plant when it cannot be sent to CertainTeed wallboard plant.

SCHEDULE 2.01(p) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

GENERATION TRANSMISSION ASSETS

The Generation Transmission Assets generally described in the Asset Contribution Agreement Article II, Section 2.01(p) are a complete list; no additional specific assets or facilities are being transferred.

SCHEDULE 4.01(e) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

LEASED REAL PROPERTY AND REAL PROPERTY LEASES

None.

SCHEDULE 4.01(g) TO ASSET CONTRIBUTION AGREEMENT

BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

ENVIRONMENTAL MATTERS

Section I: - All Material Environmental Permits

A current list of permits, certificates, certifications, licenses and other authorizations issued to the Mitchell Plant by Governmental Authorities under Environmental Laws that are required for Transferor to conduct the business and operations of the Transferred Assets is provided in Table 1.

TABLE 1 - Mitchell

| Permit / License | Permit Number | Permit Date | Agency |
|--|-------------------|-------------|--------|
| Minor NSR Permit | R13-2608 | 11/13/12 | WVDEP |
| Title V Permit | R30-05100005-2009 | 04/21/09 | WVDEP |
| Title IV Acid Rain Permit | R33-3948-2017-4 | 12/19/12 | WVDEP |
| CAIR Permit | --- | --- | WVDEP |
| Title IV & CAIR Certificates of Representation | --- | --- | USEPA |
| Landfill | --- | --- | WVDEP |
| RCRA Hazardous Waste ID# | WVD980554943 | --- | WVDEP |
| EPCRA / LEPC – notify | --- | --- | LEPC |
| 404 NW Permit (ML DFA) | 2011-940 | 01/20/12 | USACE |
| Barge Mooring Facility | 200501351 | 11/17/05 | USACE |
| Coal Unloading Dock | 4600 | 02/08/71 | USACE |
| Coal Unloading Dock Extension | 76032 | 10/13/78 | USACE |
| DNR Right of Entry Permit | R-12-I/25-1247 | 11/02/12 | WVDNR |
| DNR Right of Entry Permit | L-05-I/25-1613 | 01/23/06 | WVDNR |
| Expand Barge Mooring & Fleeting Facility | 200501038 | 07/28/05 | USACE |
| General NPDES Construction (ML DFA) | WV0115924 | 12/22/11 | WVDEP |
| General NPDES Construction (ML HR) | WV0115924 | 05/11/12 | WVDEP |
| General NPDES Construction (ML LF Subsurface) | WV0115924 | 08/25/11 | WVDEP |
| General NPDES Construction (ML LF/HR) | WV0115924 | 09/24/12 | WVDEP |
| Increase Barge Mooring Capacity | 94007 | 05/17/94 | USACE |
| Individual 404 Permit (ML LF/HR) | 2011-1499 | TBD | USACE |
| Individual WV/NPDES Permit (ML LF) | WV0116742 | TBD | WVDEP |
| Intake Structure | --- | 04/09/68 | USACE |
| Maintenance Dredging Permit | 200300265 | 08/18/03 | USACE |
| NPDES (Plant) | WV0005304 | 12/30/10 | WVDEP |
| Barge Facility Operating Plan | --- | --- | USACE |
| SWPPP (Plant) | --- | --- | WVDEP |
| SWPPP's associated with Construction | --- | --- | WVDEP |
| SPCC Plan | --- | --- | USEPA |
| Facility Response Plan | --- | --- | USEPA |
| Groundwater Protection Plan | --- | --- | WVDEP |
| Mitchell - Drinking Water | WV9925015 | --- | WVDHHR |

Section II: - Exclusions to Environmental Representations

1. Transferor and its affiliated services company, American Electric Power Service Corporation (AEPSC), have been named as defendants and third-party defendants in the consolidated cases captioned Anderson v. Columbian Chemicals Co., Case No. 09-C-220K, Anderson v. Rain CII Carbon, Case No. 11-C-152, and Anderson v. Columbian Chemicals Co., Case No. 11-C-153K, all pending in state court in Marshall County, West Virginia. The cases allege plaintiffs have been injured by exposure to various air emissions, in particular carbon black emissions from the Rain CII Carbon and Columbian Chemicals facilities. Certain plaintiffs and third-party plaintiffs also allege that Transferor's emissions from Mitchell Plant and other facilities have caused or contributed to plaintiffs' injuries. The cases are in early stages of discovery and no case management orders have yet been issued.
2. Appalachian Power Company received a notice of intent to file suit under Section 505 of the Clean Water Act from Appalachian Mountain Advocates and others asserting violations of various effluent standards and limitations associated with discharges regulated by NPDES Permit No. WV0001074.
3. A December 10, 2007 consent decree was entered in U.S. v. American Electric Power Service Corp., et al, Civil Action No. 99-1182 and consolidated cases, U.S. District Court for the Southern District of Ohio, as amended.

SCHEDULE 4.01(i) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

CONTRACTS

1. Contracts for Use by Multiple Plants, Including Mitchell Plant (assigned to Mitchell Plant only to the extent it affects the Mitchell Plant; AEP Generation Resources Inc. may also purchase goods and services under these contracts for its other facilities):

- a. Consolidated Coal Company – 07-77-05-900 – Coal
- b. BPB West Virginia (CertainTeed) – OPCO-05-GP1 – Gypsum Sales
- c. Union Pacific Railroad Company UP-54987
- d. McGinnis Harbor Service No. 02517708

2. Mitchell Plant Contracts Material to Its Operations:

- a. Bowen – 02511219x181 (Dry Fly Ash Project)
- b. United Conveyor Corporation – 418948x181 (Dry Fly Ash Project)
- c. Enerfab – 575028001082x181 – Dry Fly Ash Project Electrical)
- d. Beaver Excavating – 02579874x181 (New Landfill Haul Road)
- e. RB Jergens – 02589884x181 (New Landfill Construction)
- f. Utility Workers of America Local 468
- g. Carmeuse – 07-00-06-LS0 – Limestone
- h. Southern Coal Sales – 07-00-12-901 – Coal
- i. USNR Microspheres – Cenospheres 07-11-11-CO1
- j. Southern Coal Sales Corporation Coal Purchase Agreement 07-00-12-901
- k. Alpha Coal Sales Co., LLC Purchase Order No. 07-00-13-002
- l. Patriot Coal Sales LLC Purchase Order No. 07-00-13-001
- m. S. M. & J., Inc. Coal Purchase Agreement No. 07-00-10-900
- n. Mississippi Lime Company No. 07-00-12-HL1
- o. Conner Run Joint Use Agreement dated December 1, 2003
- p. Supply Agreement effective March 11, 2005 between CertainTeed Gypsum West Virginia, Inc. and Ohio Power Company

SCHEDULE 4.01(j) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

LEGAL PROCEEDINGS

1. IN THE CIRCUIT COURT OF MARSHALL COUNTY, WEST VIRGINIA

ERNIE LEE ANDERSON and
TAMMEY L. ANDERSON,
Individually and As Parents,
Guardians and next Friends
of JENNIFER RAY ANDERSON,
a minor, and CLEM LEE
ANDERSON, a minor, et al.,

CIVIL ACTION NO. 09-C-220 K
(Mark A. Karl, Judge)

and
DENNIS F. MOORE and
JOLENE MOORE,

CIVIL ACTION NO. 10-C-146K

Plaintiffs,

v.

COLUMBIAN CHEMICALS COMPANY, a foreign
Corporation, et al.,

Defendants and Cross-Plaintiff
and Cross-Defendants.

RAIN CII CARBON LLC,

Third Party Plaintiff

v.

LIBERTY MUTUAL FIRE
INSURANCE COMPANY, et al.,

Third-Party Defendant Insurers,
and

BAYER MATERIALSCIENCE, LLC., et al

Third-Party Commercial Defendants.

2. **IN THE CIRCUIT COURT OF MARSHALL COUNTY, WEST VIRGINIA**

AMANDA ANDERSON, et al

Plaintiffs,

v.

Civil Action NO: 11-C-153 K

COLUMBIAN CHEMICALS COMPANY, et al

Defendants.

3. **IN THE CIRCUIT COURT OF MARSHALL COUNTY, WEST VIRGINIA**

BRIAN ANDERSON, et al

Plaintiffs,

v.

Civil Action NO: 11-C-152 K

RAIN CII CARBON, CO, et al

Defendants.

SCHEDULE 4.01(k) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

PERMITS

Following are listed all permits that are material to the business or operations of the Mitchell Plant:

All of the following permits and licenses: river and barge access permits for unloading facilities, barge unloaders, river cells, dredging, and restroom holding tanks; building occupancy permits for each generating unit, building and trailer; drinking water and well water permits; truck scales and other devices of measurement; Department of Transportation permits for road and railroad crossings, plant entrances, conveyor crossings, and bridge crossings; Coast Guard permits, facility response plans, and security plans; Ohio Siting Board certificates; FCC licenses for microwave communications, wireless devices, cranes, controls, radios, and marine uses; elevator licenses for passenger, freight and special service elevators; boiler certificates for steam generators, boilers and auxiliary boilers, and hot water heaters; nuclear devices, including precipitator hopper level indicators, silo level indicators, density meters, pumps, Trona silos, and analyzers; intellectual property licenses, including software and firmware licenses; and personal property licenses.

ASSET TRANSFER AGREEMENT

This **Asset Transfer Agreement** (this "Agreement") from **AEP Generation Resources Inc.**, a Delaware corporation ("Genco"), to **Newco Kentucky Inc.**, a Kentucky corporation ("Newco"), is executed on the 18th day of December, 2013, but effective for all purposes on the 31st day of December, 2013 at 11:53 p.m. EST (the "Effective Time"). All capitalized terms used but not defined in this Agreement have the meanings assigned to such terms in the Asset Contribution Agreement (as defined below).

WHEREAS, Genco and Newco are parties to that certain Asset Contribution Agreement dated December 31, 2013 (the "Asset Contribution Agreement").

WHEREAS, pursuant to the Asset Contribution Agreement, Genco has agreed to transfer to Newco an undivided fifty percent (50%) of its right, title and interest in and to the Mitchell Plant Inventories, vehicles, equipment, machinery, furniture and other tangible personal property used in connection with the Mitchell Plant or located on or at the Mitchell Plant Real Property, the Mitchell Plant Leased Real Property and the Mitchell Plant Easements and Rights of Way (the "Transferred Assets¹").

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Genco and Newco agree as follows:

1. **Conveyance of Transferred Assets.** Genco does hereby transfer, convey and deliver to Newco free and clear of any liens or encumbrances, other than Permitted Encumbrances, an undivided fifty percent (50%) of its right, title and interest in and to the Transferred Assets.
2. **Further Assurances.** From and after the date hereof, Genco and Newco shall, without further consideration, execute, deliver and take such actions as may be reasonably required of them to accomplish the transfer of the undivided fifty percent (50%) interest in the Transferred Assets and otherwise consummate the transactions contemplated by this Agreement and the Asset Contribution Agreement.
3. **Subject To Asset Contribution Agreement.** This Agreement is expressly subject to the terms and conditions of the Asset Contribution Agreement. In the event of a conflict between the terms of this Agreement and the Asset Contribution Agreement, the terms of the Asset Contribution Agreement shall control.
4. **Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
5. **Counterparts.** This Agreement may be executed in any number of counterparts, and each such executed counterpart (including electronically transmitted counterparts)

¹ Exclusive of Real Property interests, which will be transferred by deed.

shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate, but one and the same instrument.

6. **Entire Agreement.** This Agreement, together with the Asset Contribution Agreement, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, supersedes and is in full substitution for any and all prior agreements and understandings between them relating to such subject matter, and no party hereto shall be liable or bound to any other party hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein and therein.

EXECUTED as of the date first set forth but effective for all purposes as of the Effective Time.

AEP GENERATION RESOURCES INC.

By: Charles E. Zebula
Charles E. Zebula
President

NEWCO KENTUCKY INC.

By: Jeffrey D. Cross
Jeffrey D. Cross
Vice President

ASSUMPTION AGREEMENT

This **Assumption Agreement** between **AEP Generation Resources Inc.**, a Delaware corporation ("Genco"), and **Newco Kentucky Inc.**, a Kentucky corporation ("Newco"), is executed on the 18th day of December, 2013, but effective for all purposes on the 31st day of December, 2013 at 11:53 p.m. EST (the "Effective Time"). All capitalized terms used but not defined in this Agreement have the meanings assigned to such terms in the Asset Contribution Agreement (as defined below).

WHEREAS, Genco and Newco are parties to that certain Asset Contribution Agreement dated December 31, 2013 (the "Asset Contribution Agreement").

WHEREAS, pursuant to the Asset Contribution Agreement, Newco has agreed to assume fifty percent (50%) of the Assumed Liabilities.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Genco and Newco agree as follows:

1. **Assumption of Assumed Liabilities.** On the terms set forth herein and in the Asset Contribution Agreement, Newco hereby assumes and shall become responsible for, and shall hereafter pay, perform and discharge as and when due, fifty percent (50%) of the Assumed Liabilities.
2. **Further Assurances.** From and after the date hereof, Genco and Newco shall, without further consideration, execute, deliver and take such actions as may be reasonably required of them to effectuate Newco's assumption of fifty percent (50%) of the Assumed Liabilities as contemplated by this Assumption Agreement and the Asset Contribution Agreement.
3. **Subject To Asset Contribution Agreement.** This Agreement is expressly subject to the terms and conditions of the Asset Contribution Agreement. In the event of a conflict between the terms of this Assumption Agreement and the Asset Contribution Agreement, the terms of the Asset Contribution Agreement shall control.
4. **Successors and Assigns.** The terms and provisions of this Assumption Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
5. **Counterparts.** This Agreement may be executed in any number of counterparts, and each such executed counterpart (including electronically transmitted counterparts) shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate, but one and the same instrument.
6. **Entire Agreement.** This Assumption Agreement, together with the Asset Contribution Agreement, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, supersedes and is in full substitution for any

and all prior agreements and understandings between them relating to such subject matter, and no party hereto shall be liable or bound to any other party hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein and therein.

EXECUTED as of the date first set forth but effective for all purposes as of the Effective Time.

AEP GENERATION RESOURCES INC.

By: Charles E. Zebula
Charles E. Zebula
President

NEWCO KENTUCKY INC.

By: Jeffrey D. Cross
Jeffrey D. Cross
Vice President

ASSIGNMENT OF CONTRACTS

This **Assignment of Contracts** (this "Assignment") from **AEP Generation Resources Inc.**, a Delaware corporation ("Assignor"), to **Newco Kentucky Inc.**, a Kentucky corporation ("Assignee"), is executed on the 18th day of December, 2013, but effective for all purposes on the 31st day of December, 2013 at 11:53 p.m. EST (the "Effective Time"). All capitalized terms used but not defined in this Agreement have the meanings assigned to such terms in the Asset Contribution Agreement (as defined below).

WHEREAS, Assignor and Assignee are parties to that certain Asset Contribution Agreement dated December 31, 2013 (the "Asset Contribution Agreement").

WHEREAS, Assignor is a party to the contracts and agreements set forth on Exhibit A attached hereto (collectively, the "Contracts").

WHEREAS, pursuant to the Asset Contribution Agreement, Assignor has agreed to assign to Assignee an undivided one-half of its right, title and interest in and to the Contracts as hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Assignment**. Effective as of the Effective Date, Assignor, pursuant to the terms and conditions of the Asset Contribution Agreement, hereby transfers and assigns to Assignee an undivided one-half of Assignor's right, title and interest in and to the Contracts listed in Exhibit A.
2. **Assumption**. Assignee hereby accepts such interests in and to the Contracts and assumes and becomes responsible for, and shall hereafter pay, perform and discharge as and when due one-half of the Liabilities arising under the Contracts listed in Exhibit A.
3. **Further Assurances**. From and after the date hereof, Assignor and Assignee shall, without further consideration, execute, deliver and take such actions as may be reasonably required of them to accomplish assignment of the Contracts and otherwise consummate the transactions contemplated by this Assignment and the Asset Contribution Agreement.
4. **Subject To Asset Contribution Agreement**. This Assignment is expressly subject to the terms and conditions of the Asset Contribution Agreement. In the event of a conflict between the terms of this Assignment and the Asset Contribution Agreement, the terms of the Asset Contribution Agreement shall control.

5. **Successors and Assigns.** The terms and provisions of this Assignment shall be binding upon and inure to the benefit of the respective parties hereto, and their respective successors and assigns.
6. **Counterparts.** This Assignment may be executed in any number of counterparts and each such executed counterpart (including electronically transmitted counterparts) shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate, but one and the same instrument.
7. **Entire Agreement.** This Assignment, together with the Asset Contribution Agreement, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, supersedes and is in full substitution for any and all prior agreements and understandings between them relating to such subject matter, and no party hereto shall be liable or bound to any other party hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein and therein. The Exhibit to this Assignment is hereby incorporated and made a part hereof and is an integral part of this Assignment.

EXECUTED as of the date first set forth but effective for all purposes as of the Effective Time.

ASSIGNOR:

AEP GENERATION RESOURCES INC.

By: 
Charles E. Zebula, President

ASSIGNEE:

NEWCO KENTUCKY INC.

By: 
Jeffrey D. Cross, Vice President

EXHIBIT A
CONTRACTS

An undivided one-half of Assignor's interest in and to the following Mitchell Plant contracts and agreements is being assigned to Assignee:

1. All of the contracts identified on Schedule 4.01(i) to the Asset Contribution Agreement from AEP Generation Resources Inc. to Newco Kentucky Inc., which schedule is attached hereto as Attachment 1.
2. Each and every other contract, release against a blanket contract, service agreement, service order, purchase order, release against a blanket purchase order, or any and every other type of agreement entered into by Assignor, or by American Electric Power Service Corporation as agent for Assignor, or acquired by Assignor by assignment, for the benefit of or for the procurement of goods, materials, equipment, labor, services or anything else for the Mitchell Plant, which are in effect in any regard at the Effective Time, in that one or both parties has one or more obligations thereunder that remain to be performed or that have not been completed in every regard.

Attachment 1

SCHEDULE 4.01(i) TO ASSET CONTRIBUTION AGREEMENT
BETWEEN AEP GENERATION RESOURCES INC. AND NEWCO KENTUCKY INC.

CONTRACTS

1. Contracts for Use by Multiple Plants, Including Mitchell Plant (assigned to Mitchell Plant only to the extent it affects the Mitchell Plant; AEP Generation Resources Inc. may also purchase goods and services under these contracts for its other facilities):
 - a. Consolidated Coal Company – 07-77-05-900 – Coal
 - b. BPB West Virginia (CertainTeed) – OPCO-05-GP1 – Gypsum Sales
 - c. Union Pacific Railroad Company UP-54987
 - d. McGinnis Harbor Service No. 02517708

2. Mitchell Plant Contracts Material to Its Operations:
 - a. Bowen – 02511219x181 (Dry Fly Ash Project)
 - b. United Conveyor Corporation – 418948x181 (Dry Fly Ash Project)
 - c. Enerfab – 575028001082x181 – Dry Fly Ash Project Electrical)
 - d. Beaver Excavating – 02579874x181 (New Landfill Haul Road)
 - e. RB Jergens – 02589884x181 (New Landfill Construction)
 - f. Utility Workers of America Local 468
 - g. Carmeuse – 07-00-06-LS0 – Limestone
 - h. Southern Coal Sales – 07-00-12-901 – Coal
 - i. USNR Microspheres – Cenospheres 07-11-11-CO1
 - j. Southern Coal Sales Corporation Coal Purchase Agreement 07-00-12-901
 - k. Alpha Coal Sales Co., LLC Purchase Order No. 07-00-13-002
 - l. Patriot Coal Sales LLC Purchase Order No. 07-00-13-001
 - m. S. M. & J., Inc. Coal Purchase Agreement No. 07-00-10-900
 - n. Mississippi Lime Company No. 07-00-12-HL1
 - o. Conner Run Joint Use Agreement dated December 1, 2003
 - p. Supply Agreement effective March 11, 2005 between CertainTeed Gypsum West Virginia, Inc. and Ohio Power Company

CONNER RUN IMPOUNDMENT
TRANSITION AND JOINT USE OPERATING AGREEMENT

DATED July 2, 2015

This Conner Run Impoundment Transition and Joint Use Operating Agreement (“Agreement”) is made and entered into as of July 2, 2015 (the “Effective Date”), by and between Kentucky Power Company/dba AEP (“AEP”), a Kentucky corporation qualified as a foreign corporation in West Virginia with its principal place of business at 1 Riverside Plaza, Columbus, Ohio 43215, as the current operator of the Kammer and Mitchell Plants formerly owned and operated by Ohio Power Company (“OPCo”), and Consolidation Coal Company, a Delaware corporation qualified as a foreign corporation in West Virginia with its principal place of business at 46226 National Road, St. Clairsville, Ohio 43950 (“CCC”), (“AEP” and “CCC” being collectively referred to herein as the “Parties”).

On and after the Effective Date of this Agreement, the Parties agree that the operations, transition of responsibilities, and cost sharing for mutually beneficial activities at the Conner Run Dam and Impoundment (the “Conner Run Dam” refers to the dam structure, and the “Conner Run Impoundment” refers to the basin upstream of the Dam, and the “Conner Run Dam and Impoundment” refers to both the Conner Run Dam and the Conner Run Impoundment, located upon those certain tracts of land in Franklin District, Marshall County, West Virginia, more particularly described in the maps, boundary surveys and deeds included in Attachment A hereto) shall be governed exclusively by the terms of this Agreement.

WITNESSETH:

WHEREAS, OPCo and CCC were parties to that certain agreement dated December 1, 2003, entitled “Conner Run Fly Ash Impoundment 2003 Joint Use Operating Agreement” (the “2003 Agreement”) which provided for the construction, operation, expansion and related activities at the Conner Run Dam and Impoundment; and

WHEREAS, AEP has assumed the rights and obligations of OPCo under the 2003 Agreement through acquisition of certain assets from OPCo and its operation of the Kammer and Mitchell electric generating plants; and

WHEREAS, AEP has completed a conversion project at the Mitchell Plant to provide for dry fly ash and other coal combustion residual management in a new facility that it has constructed for that purpose on separate lands to the southeast of the Conner Run Impoundment, and commenced disposal of dry fly ash in that facility in 2014; and

WHEREAS, AEP intends to complete the construction of a treatment system to handle the cooling tower blowdown previously used to convey wet fly ash from the Mitchell Plant to the Conner Run Impoundment and retire the electric generating units at the Kammer Plant during calendar year 2015; and

WHEREAS, CCC reserved the right to deposit fine coal refuse in the Conner Run Impoundment in the deeds that conveyed the property underlying the Conner Run Dam and Impoundment to OPCo, and CCC's operations at the Marshall County Mine and the Conner Run Dam and Impoundment are anticipated to continue beyond 2015; and

WHEREAS, since 2009, AEP and its affiliates have invested over fourteen million dollars in the construction of the Conner Run Dam and other appurtenances, and continues to provide operation and technical oversight for the Conner Run Dam and Impoundment that will benefit CCC in the ongoing operation of the Marshall County Mine and other assets; and

WHEREAS, the Parties now desire to provide for transition of the ownership and management of the Conner Run Dam and Impoundment from AEP to CCC, to allocate responsibility for certain construction activities, to provide for a method to accommodate future operations of the Conner Run Dam and Impoundment until such time as applicable regulatory permits are either transferred from AEP to CCC or until new permits are obtained by CCC, and to provide for a method to accommodate future operations within the properties in and around the Conner Run Dam and Impoundment for the mutual benefit of AEP and CCC.

NOW THEREFORE, for and in consideration of the mutual promises contained herein, and other good and valuable consideration, receipt of which is hereby acknowledged, AEP and CCC agree as follows:

I. Construction Activities

A. Detail Plan Development. GeoEnvironmental Associates shall be retained to prepare a set of detailed plans for completion of Stages 9F through 9H of the Conner Run Dam and Impoundment, including arrangements to manage the elevation of the operating pool at the Conner Run Impoundment during the sealing of the current outlet, and installation of additional rock drains and other features necessary for completion of the Conner Run Dam to elevation 1050' and future operation of the Conner Run Impoundment. The detailed plans shall be sufficient to respond to the items identified in the correspondence from the Mine Safety and Health Administration (MSHA) on May 30, 2014, and any additional communication from MSHA or the West Virginia Department of Environmental Protection Dam Safety Section (WVDSS). CCC and AEP shall review and provide comments on the detailed plans within ten (10) business days of receipt from GeoEnvironmental Associates. The Parties shall share the costs of the plan preparation equally.

B. Purchase and Installation of Pumping System and Construction of Open Channel Spillway. CCC shall be solely responsible for the costs of designing, procuring, installing operating, maintaining, and monitoring the pumping system, including procuring the pumps and all related appurtenances, and all costs of installation, testing, calibrating, operating and monitoring. Placement of the pumping system and related appurtenances shall be in locations mutually acceptable to AEP and CCC. CCC shall also be solely responsible for the costs of construction of the open channel spillway which is necessary to reduce the "as submitted" proposed pumping system capacity requirements while still satisfying the applicable regulatory requirements. Sealing of the current outlet shall not commence until the pumping system has been installed, tested, and accepted by AEP. During the testing, calibrating, operating, and monitoring of the pump system discharge control system, CCC shall provide access to AEP so that AEP may be present to witness such testing, calibrating, operating, and monitoring, as AEP desires to assure that the system has no adverse impact on the quality of the discharge from the Conner Run Impoundment and that AEP can continue to comply with the terms of the current NPDES permit, and to assure that the normal pool operating level does not increase by more than four (4) feet in any three (3) month period and otherwise complies with any other conditions of

the approvals issued by MSHA or other regulatory authorities with jurisdiction over the Conner Run Dam and Impoundment. During the transition period prior to transfer of the environmental permits for the Conner Run Impoundment to CCC, CCC shall indemnify, reimburse, and hold AEP harmless for all costs and expenses incurred by AEP as a result of any safety or environmental claims related to the design, construction, operation, or failure of the pumping system, any related appurtenances and the open channel spillway, except and to the extent such claims are caused by AEP's actions.

C. Completion of the Main Dam and Saddle Dam and CCC's Costs. The costs of completion of construction of the main Conner Run Dam and the saddle dam to the final approved elevation of 1050' shall be at CCC's sole expense. CCC shall continue to supply coarse coal refuse as a construction material for various purposes, including completing the work on the main Conner Run Dam and east hillside, providing underlayment for the construction of the floating road through the Conner Run Impoundment, and for other construction purposes consistent with the approved plans. CCC shall be solely responsible for the costs of placing the coarse coal refuse on the dams or in the Conner Run Impoundment. CCC shall also be solely responsible for the costs associated with placing, relocating, and maintaining its coal slurry lines and treated AMD lines to and through the Conner Run Impoundment, procurement and construction costs for the rock drain outlet piping and other appurtenances through the main Conner Run Dam, and the costs of maintaining its access roads to the Conner Run Impoundment and its coarse refuse disposal areas.

D. Shared Construction Costs. The Parties agree that given the short time period remaining before the Kammer and Mitchell Plants cease sluicing fly ash to the Conner Run Impoundment, no further construction to provide additional capacity in the Conner Run Impoundment is required to accommodate AEP's operations. However, CCC desires to continue using the Conner Run Impoundment to serve the Marshall County Mine and coal preparation plant, and certain activities necessary to support long-term operations will be less costly and more easily implemented in the near term. Accordingly, the Parties agree that, contingent upon receipt of required approvals from MSHA and WVDSS, responsibility for the costs of completing the construction of the following activities included in the plans for Stages 9F

through 9H, as submitted by AEP on February 4, 2014, and any supplemental plans and responses to requests for information submitted by mutual agreement of the Parties pursuant to paragraph A of this section, shall be shared based on the ratio of the amount of material each Party (and their predecessors) placed in the Conner Run Impoundment during the annual period from June 1, 2012 through May 31, 2013, which AEP has estimated, and CCC has agreed, to be 30% AEP and 70% CCC. Those activities include:

1. Abandonment of the existing spillway and sealing of the existing drainage shaft and outlet piping.
2. Pushout placement of the minimal connector fill (estimated to be less than 100,000 cubic yards of coarse coal refuse) required for soil facing, and placement of select soil facing around the existing drainage shaft.
3. Construction of an access road to the existing monitoring wells and continued placement of the previously approved east hillside embankment materials to the extent that other activities in the area allow, including turning the select soil core just short of horizontal and extending it to the natural hillside, after which point it will be extended up the natural hillside. East hillside embankment placement construction cost sharing will cease when the soil core placement is completed to the natural hillside, and shall thereafter be solely at CCC's expense.

Costs to be shared for this work will include all material (including, without limitation, the cost of excavating, hauling and placing suitable materials, except any coarse coal refuse, which shall be delivered and unloaded at CCC's sole expense), all equipment, all direct outside contract labor, and all outside supervision associated with these activities. If shared construction costs addressed in this paragraph are incurred after the end of calendar year 2014, the basis for cost sharing during 2015 will be adjusted based on the amount of fly ash and coal refuse solids placed in the Conner Run Impoundment during the annual period from June 1, 2013 through May 31, 2014, as estimated by AEP with direct input from CCC and as mutually agreed by the Parties. AEP will not be responsible for any costs associated with work performed under this paragraph that are incurred on and after the date on which fly ash discharges to the Conner Run Impoundment from the Kammer and Mitchell Plants cease.

E. Construction Management and AEP's Costs. AEP shall manage the construction activities approved by MSHA and WVDSS for stages 9F through 9H, to the extent such activities are completed before the date the existing AEP permits for the Conner Run Dam and Impoundment are transferred to CCC, which shall be no later than the date on which fly ash discharges to the Conner Run Impoundment from the Kammer and Mitchell Plants cease. AEP shall make arrangements for all outside services associated with such work, and shall review all contracts and change orders in excess of \$100,000 with CCC prior to approving such orders or awarding such contracts. CCC shall promptly review and approve such contracts, which approval shall not be unreasonably withheld. If CCC does not disapprove a contract or change order within 10 business days of receipt, CCC shall be deemed to have approved the contract or change order, and AEP shall be deemed to have the authority to proceed. AEP shall be solely responsible for all costs of installing and maintaining the paved portions of its ash haul road around the Conner Run Dam and Impoundment (except for the maintenance cost of any crossing or the cost of additional improvements at any crossing necessary to accommodate larger vehicles used by CCC, where CCC shall be solely responsible for such maintenance and/or improvement costs), all costs of installing and maintaining its 4" diameter leachate line, and for any costs incurred in the removal, relocation, or maintenance of its fly ash lines. Any contracts or change orders initiated by CCC after transfer of the existing AEP permits for the Conner Run Dam and Impoundment shall be at CCC's sole expense, except where otherwise agreed by the Parties in writing.

II. Transition of Impoundment Operations and Permits

A. Permitting and Regulatory Approvals. To the extent not already initiated, AEP and CCC shall immediately initiate and diligently pursue the process of obtaining any necessary utility commission regulatory approvals, if required, and transferring responsibility for the NPDES, MSHA, and WVDSS permits and Orders from AEP to CCC, and CCC shall immediately initiate and diligently pursue any necessary modification of CCC's existing permits and/or the application for new permits necessary for the Marshall County Mine, so that CCC will be authorized to operate, and have full operational responsibility for, the Conner Run Dam and

Impoundment as soon as possible. AEP shall cooperate in good faith and provide operational or other information in its possession reasonably necessary to facilitate the transfer of AEP's existing permits, including executing documents reasonably necessary to complete the transfer of responsibility to CCC. The Parties anticipate that the transfers will be completed no later than July 1, 2015. In the event that permit transfers cannot be completed by July 1, 2015, CCC agrees to pursue reasonable and prudent measures to secure operational authority and responsibility for the Conner Run Dam and Impoundment, including, but not limited to, the issuance of administrative orders or other temporary operating authority, in order to act as operator and continue to use the Conner Run Dam and Impoundment for its fine coal refuse disposal operations on and after that date. CCC assumes responsibility for all costs and expenses arising from or associated with CCC's ongoing and continued operations at the Conner Run Dam and Impoundment on and after the date AEP's existing permits are transferred to or assumed by CCC, or July 1, 2015, whichever is earlier. If any utility commission regulatory approval is required but not yet obtained, or transfer of AEP's existing permits or authorizations for CCC to act as operator cannot be obtained by July 1, 2015, then AEP shall maintain its existing permits for the Conner Run Dam and Impoundment until such transfers or authorizations are obtained and CCC shall continue its use of the Conner Run Dam and Impoundment, subject to the provisions of Section VII.B.

B. Real Estate and Personal Property. The Parties have consulted and determined that exchanges of real property interests, including real estate, fixtures, and other appurtenances, should be made in order to better align ownership of the underlying parcels with ongoing operations at, in, and around the Conner Run Impoundment. Attachment B hereto contains a general depiction of the current interests in real property, and Attachment C contains a general depiction of the interests that will be held by CCC and AEP (and any applicable affiliates) after the exchange, including reserved rights for AEP's haul roads and transmission facilities with such adjustments as agreed by the Parties in writing, which reserved rights shall be confirmed by survey following execution of this Agreement. The Parties have determined that all personal property and appurtenances (i.e. any improvements and other materials and equipment) necessary for the day-to-day operation of the Conner Run Dam and Impoundment as a fine coal refuse disposal facility shall be transferred from AEP to CCC. The Parties shall make such other

transfers of personal property as may be necessary for the day-to-day operation of the Conner Run Dam and Impoundment. This property does not include the pump station, piping, and improvements related solely to AEP's fly ash sluicing operations, which shall be retained by AEP. CCC and AEP will cooperate in good faith and work diligently to accomplish these property transfers on or about the date on which any required utility commission approvals are obtained and/or responsibility is transferred to CCC for the existing AEP permits, or as necessary to facilitate such permit transfers, including execution and recordation of the appropriate legal instruments. As operations at the Conner Run Dam and Impoundment and the separate operations of AEP and CCC in the area continue to evolve, the Parties agree to continue to evaluate their changing needs and, to the extent that it is mutually advantageous, to negotiate further exchanges of interests and grants of access as they mutually determine are appropriate and necessary.

C. Quarterly Invoicing. Prior to the transfer of the permits and real estate necessary to transition the operational responsibility for the Conner Run Dam and Impoundment to CCC, AEP will continue to prepare and issue invoices in arrears on a quarterly basis reflecting the relative share of construction costs and operating and maintenance expenses incurred for all work performed during the prior quarter. Invoices shall be submitted no later than the last business day of the calendar month following the end of each calendar quarter for all invoices received by the end of the prior quarter. All invoices shall be due and payable no later than the last business day of the next month following issuance of the invoice. AEP shall issue a final invoice no later than the end of the next calendar month following the transfer of the permits and real estate necessary to transition operational responsibility for the Conner Run Dam and Impoundment to CCC, which shall be no later than the date on which the Kammer and Mitchell Plants cease sluicing fly ash to the Conner Run Impoundment. Thereafter, CCC shall be solely responsible for ongoing construction costs and operating and maintenance expenses at the Conner Run Dam and Impoundment, except as otherwise provided herein. If any additional construction or operational costs are to be incurred by one Party and shared by the Parties thereafter, the details of any such agreement shall be set forth in a written agreement signed by the Managerial Representatives identified in Paragraph V.D. prior to incurring any shared costs.

III. Authorized Influents

A. The Parties agree that the currently authorized influents to the Conner Run Impoundment from AEP's operations are limited to the following:

1. Fly Ash Lines – three (3) fourteen-inch (14") diameter lines, from AEP's pumping station to the Conner Run Impoundment to convey fly ash and cooling tower blowdown from the Kammer and Mitchell Plants; and
2. Pump Station Sump Drains – two (2) fourteen-inch (14") diameter lines that drain by gravity from AEP's pump station sumps to the Conner Run Impoundment.

B. The Parties agree that, until such time as the existing AEP permits are transferred or assumed by CCC, the currently authorized influents to the Conner Run Impoundment from CCC's operations are limited to the following:

1. Fine Coal Slurry Line – no limit as to the number of lines, but the Parties shall mutually agree as to the type, location, and/or chemical constituency of influent to the Conner Run Impoundment; and
2. Treated AMD Lines – no limit as to the number of lines, but the Parties shall mutually agree as to the type, location and/or chemical constituency of influent from the AMD treatment plant treating wastewater from the former Ireland Mine and the underdrains from the coarse coal refuse disposal areas near the Conner Run Impoundment that have been placed beneath the 765 kV switchyard access road and lead to the water tank near the construction office.
3. Freshwater Lines – AEP agrees that, when AEP no longer discharges blowdown water into the Conner Run Impoundment, CCC shall, at CCC's sole discretion, be permitted to introduce freshwater into the Conner Run Impoundment to maintain an adequate amount of water in the Conner Run Impoundment necessary for CCC's ongoing operations at CCC's preparation plant(s) and CCC's operations at the Conner Run Impoundment, to the extent such introduction is consistent with the permits and approvals issued for the Conner Run Dam and Impoundment.

C. Surface Water Runoff. The Conner Run Impoundment also receives sheet flow from the Conner Run watershed and the upstream face of the Conner Run Dam and collected surface waters from the drainage area that are approved to be managed in the Conner Run Impoundment.

D. While the NPDES, MSHA and WVDSS permits for the Conner Run Impoundment are held by AEP, no other influents are permitted to be introduced to the Conner Run Impoundment without the written consent of the Parties. On and after the date that transfer of the permits and real estate necessary to transition the operational responsibility for the Conner Run Impoundment to CCC occurs, CCC shall no longer require AEP's consent to alter the authorized influents to the Conner Run Impoundment, but shall provide notice to AEP of the introduction of new authorized influents, along with a representative sample of the new authorized influent, an analysis of the composition and constituents of each new authorized influent, and an estimate of the annual volume of such new authorized influent introduced to the Conner Run Impoundment.

IV. Operational Expenses

A. Shared Costs Prior to Transfer. During the period prior to the date that the permits for the Conner Run Impoundment are transferred to CCC, and no later than the date on which fly ash discharges to the Conner Run Impoundment from the Kammer and Mitchell Plants cease, the following costs shall continue to be shared between AEP and CCC based on the amount of material placed in the Conner Run Impoundment during the prior year:

1. The cost to build and maintain jointly used floating roads or bridges to access the Parties' respective operations; and
2. Incidental materials and activities necessary for the normal and efficient operation of the Conner Run Impoundment.

AEP shall itemize such costs in each invoice and apply the applicable percentage for each Party, which the Parties agree shall be 30% AEP and 70% CCC in 2014.

B. Shared Costs After Transfer. On or after the date that the permits for the Conner Run Impoundment are transferred to CCC, but no later than the date on which fly ash discharges to the Conner Run Impoundment from the Kammer and Mitchell Plants cease, the costs referenced in paragraph IV.A. 2. shall cease to be shared costs. The costs referenced in paragraph IV.A. 1. shall be shared equitably, based on the cubic yards of material transported over any jointly used road or bridge, or on another mutually agreeable basis, which shall be determined by the Managerial Representatives and reduced to writing prior to undertaking any construction or maintenance activities, in accordance with Section V. of this Agreement.

C. Excluded Costs. The following expenses have historically been billed and paid separately by the Parties, and/or are not considered to be related to the normal joint operation of the Conner Run Impoundment, and shall be excluded from shared costs allocated in accordance with the provisions of this paragraph IV.

1. AEP shall be solely responsible for paying all costs and expenses associated with the following activities:

a. AEP's removal of cenospheres from the Conner Run Impoundment;

b. AEP's costs of transporting fly ash, gypsum, or other coal combustion products to the Conner Run Impoundment, installation, maintenance, relocation and removal of ash lines or conveyors, and trucking of any fly ash or other coal combustion materials to or for use at the Conner Run Impoundment; and

c. AEP's fifty percent (50%) share of the cost for engineering services (i) provided by Civil & Environmental Consultants, GeoSyntec, and Geo/Environmental Associates under the existing contracts for professional services and (ii) provided by other consultants, as mutually agreed upon by the Parties, for professional services.

2. CCC shall be solely responsible for paying all costs and expenses associated with the following activities:

a. CCC's costs related to its fine and coarse coal refuse disposal operations;

b. CCC's costs for placement of coarse coal refuse at the Conner Run Dam and Impoundment, on the main dam and saddle dam, to support the floating road through the Conner Run Impoundment, on the east hillside, and for other construction purposes;

c. CCC's costs for installation, maintenance, relocation and removal of its fine coal refuse and water lines or conveyors, and trucking of any coal refuse or other mining materials to or for use at the Conner Run Impoundment; and

d. CCC's fifty percent (50%) share of the cost for engineering services (i) provided by Civil & Environmental Consultants, GeoSyntec, and Geo/Environmental Associates under the existing contracts for professional services and (ii) provided by other consultants, as mutually agreed upon by the Parties, for professional services.

V. Operations and Management

A. Coordination of Operations; Rights of Exclusive Use; Avoidance of Interference or Interruption. The Parties will harmonize their operations in the Conner Run Impoundment to the maximum extent practicable through the exchange of interests in real property and the allocation of permits and operational responsibilities. AEP will retain an easement with exclusive rights to use the existing paved haul road constructed to provide access to its newly permitted dry ash disposal facility ("AEP's Haul Road"), and CCC will establish and maintain exclusive rights to use separate means of access to its existing and future mining and disposal operations ("CCC's Haul Roads"), with the exceptions of the floating road that both Parties use to cross the Conner Run Impoundment and other select crossings. Where any haul road or portion of a haul road is used jointly by the Parties, the Parties shall mutually agree as to the safety policies and procedures with respect to such haul road or portion of a haul road. The Parties will use their best efforts to avoid any interference with or interruption in the use of each other's Haul Roads, and will coordinate construction and other activities so as to assure unimpeded access and use of the easements and retained rights of the other Party for such Haul Roads. Each Party will be responsible for security for its own operations.

B. Maintenance, Relocation, and Repair of Crossings and Jointly Used Roads and Bridges. CCC shall, at CCC's sole expense, deliver material to be used as the base for the floating road through the Conner Run Impoundment and compact the material consistent with CCC's existing practices for coarse coal refuse. The Parties will share equally the cost of the design, construction and maintenance of the floating road, overlay, drainage provisions, or surfacing necessary to maintain compliance with any operational limitations that affect their hauling operations, and the costs of relocating the floating road to accommodate their mutual operations. The terms for sharing costs for any other jointly used roads, bridges, or crossings shall be agreed to and reduced to writing and signed by the Managerial Representative of each Party prior to incurring any shared costs, which agreement shall not be unreasonably withheld. During any repair, relocation, or maintenance of the floating road, access for routine haulage shall be maintained and there shall be no interruption of normal operations.

The Parties agree that relocation of AEP's Haul Road in such a manner as to allow AEP to build and maintain a road ("AEP's New Haul Road") that generally follows the leachate lines for the newly constructed dry ash disposal area, and that would eliminate the need for a floating road through the Conner Run Impoundment is desirable, and should be pursued with the applicable permitting authorities. The Parties agree to convey any easements or other rights as necessary to establish AEP's New Haul Road without cost. The Parties agree to share equally the cost of preparing and submitting any plans necessary to accomplish this relocation at their earliest convenience, and to cooperate in the preparation and submission of required plans to accomplish this goal. Upon approval of such plans, AEP shall be responsible for the costs of constructing a new road that generally follows the leachate lines for the dry fly ash disposal area, with CCC contributing coarse coal refuse as a construction material and delivering such material to the required location at CCC's expense. AEP shall be responsible for placing the coarse coal refuse to AEP's required specifications.

C. Operational Representatives. AEP and CCC shall each designate an Operational Representative and an Alternate who shall serve as initial points of contact for ongoing

operations at the Conner Run Impoundment. Initially, the Operational Representatives and their Alternates shall be:

| | | |
|---------------------------------|---|--|
| AEP Operational Representative: | Timothy W. Howdysshell | |
| Address | 1 Riverside Plaza 22 nd Floor, Columbus, OH 43215 | |
| Telephone: | (614) 716-2297 | |
| E-mail: | thowdysshell@aep.com | |
| AEP Alternate: | Thomas P. Cooper | Dennis C. Henderson |
| Address | 1 Riverside Plaza 17 th Floor Columbus, OH 43215 | Mitchell Plant 8999 Energy Rd. Moundsville, WV 26041 |
| Telephone: | (614) 716-2039 | (304) 843-6031 |
| E-mail: | tpcooper@aep.com | dchenderson@aep.com |
| CCC Operational Representative: | Fred Blumling | |
| Address | 46226 National Road St. Clairsville, Ohio 43950 | |
| Telephone: | (740) 310-7040 | |
| E-mail: | fblumling@coalsource.com | |
| CCC Alternate: | Charles Kapp | |
| Address | 46226 National Road St. Clairsville, Ohio 43950 | |
| Telephone: | (740) 391-3932 | |
| E-mail: | ckapp@coalsource.com | |

The Operational Representatives and their Alternates shall be the initial points of contact for any issues arising during construction and/or operation of the Conner Run Impoundment, transitioning of permits and real estate, and continued use of easements, rights of way, and other authorizations during future operations. Additional contacts within each organization shall be made as necessary to address any issues that arise. The Parties may change the Operational Representative and Alternate(s) by providing written notice to the other Party.

D. Managerial Representatives. AEP and CCC shall each designate a Managerial Representative to administer this Agreement, discuss the need for any adjustments or modifications in the obligations or responsibilities set forth in this Agreement, and address any issues that cannot be resolved by mutual agreement of the Operational Representatives. The Managerial Representatives shall meet at least quarterly with the Operational Representatives to review: (1) the operation of the Conner Run Impoundment; (2) the use of rights of way and access to the impoundment, CCC's disposal areas, AEP's transmission assets, and the Mitchell landfill and any issues arising in connection therewith; and (3) any regulatory actions affecting those operations, until the Conner Run Impoundment is closed and all related regulatory responsibilities have been fulfilled. The Operational Representatives of each Party shall supply information as may be reasonably requested by the Managerial Representatives to participate in and make reasonable decisions regarding operation of the Conner Run Impoundment and the impact of the Conner Run Impoundment on related or near-by activities. Decisions of the Managerial Representatives shall be by mutual consent, which shall not be unreasonably withheld.

AEP Managerial Representative: Daniel L. Moyer
Address Mitchell Plant
8999 Energy Rd.
Moundsville, WV 26041
Telephone: (304) 843-6001
E-mail: dlmoyer@aep.com
CCC Managerial Representative: Jim Turner
Address 46226 National Road
St. Clairsville, Ohio 43950
Telephone: (740) 338-3287
E-mail: jturner@coalsource.com

The Parties may change their Managerial Representative(s) by providing written notice to the other Party.

VI. Closure, Remediation, or Assessment Costs

A. Closure of the Impoundment. CCC's operation of the Conner Run Dam and Impoundment is expected to continue for a substantial period of time following the transfer of ownership and operational responsibility from AEP. Continued placement of coal refuse and other mining materials on and within the Conner Run Dam and Impoundment will result in gradual dewatering of the Impoundment, provide cover for the fly ash, and form a suitable base and grades that promote proper storm water drainage for the eventual placement of a soil cover and reclamation of the Impoundment. In consideration of AEP's transfer of the Conner Run Dam and Impoundment, its current value, and the value of its future use to CCC's ongoing mining operations, CCC agrees to assume full responsibility for closure, remediation, assessment, and reclamation of the Conner Run Dam and Impoundment, except as set forth below. If a Final Closure/Reclamation obligation arises as a result of the discontinuation of CCC's mining operations at the Marshall County Mine within the time periods set forth below, the Parties agree that AEP's obligation to fund a portion of those costs will be satisfied as set forth in the following schedule:

| If Final Closure of the Conner Run Impoundment commences on or after the Effective Date and by the date set forth below: | AEP will contribute the following percentage of the actual costs of closure: | Up to a maximum amount of: |
|--|--|----------------------------|
| June 1, 2017 | 50 % | \$ 31,500,000 |
| June 1, 2018 | 48 % | \$ 27,882,500 |
| June 1, 2019 | 45 % | \$ 24,480,000 |
| June 1, 2020 | 43 % | \$ 21,292,000 |
| June 1, 2021 | 40 % | \$ 18,320,000 |
| June 1, 2022 | 38 % | \$ 15,562,000 |
| June 1, 2023 | 35 % | \$ 13,020,000 |
| June 1, 2024 | 33 % | \$ 10,692,500 |
| June 1, 2025 | 30 % | \$ 8,580,000 |
| June 1, 2026 | 28 % | \$ 6,682,500 |
| At any time after June 1, 2027 | 25 % | \$ 5,000,000 |

On June 1, 2016, and on June 1 of each year thereafter, CCC shall provide AEP with its most current estimate of the costs of Final Closure/Reclamation for the Conner Run Dam and Impoundment. CCC shall also provide to AEP notice of the date on which commencement of

Final Closure/Reclamation activities at the Conner Run Dam and Impoundment will occur, and a copy of any plans submitted to a state or federal regulatory agency for the Final Closure/Reclamation within five (5) business days of the submission of such plans. For purposes of this paragraph “Final Closure/Reclamation” means the ultimate cessation of use of the Conner Run Dam and Impoundment and the reclamation, contouring, placement of final cover, and other activities associated with the final closure of the Conner Run Dam and Impoundment, and does not include any reconfiguration or interim reclamation activities prior to the cessation of use of the Conner Run Dam and Impoundment.

VII. Environmental Permits, Employee Safety and Health, and Liability

A. Transfer of AEP’s Existing Conner Run Impoundment Environmental Permits.

AEP currently maintains the following permits for the Conner Run Dam and Impoundment:

1. SW/NPDES Permit No. WV0116939
2. WVDEP Dam Safety ID No. 05102
3. MSHA Impoundment ID No. 1211-WV03-09072-01

As soon as possible, AEP and CCC will initiate the process to transfer responsibility for these existing permits, to modify CCC’s existing mining permits to include responsibility for the construction and operation of the Conner Run Dam, the Conner Run Impoundment, and the discharges from the Conner Run Impoundment reflected in SW/NPDES Permit No. WV0116939, and/or to apply for new permits necessary for CCC’s continued use of the Conner Run Dam and Impoundment within the scope of the current WVDEP Dam Safety approvals and MSHA application. Applications for transfers, modifications of the necessary permits, and/or for new permits shall be submitted as soon as practicable. Prior to the transfer of AEP’s existing permits or obtaining the necessary authorization for CCC to continue current operations at the Conner Run Dam and Impoundment pursuant to such existing permits, AEP shall be responsible for compliance with the permits listed above, and the costs or expenses related to any testing, sampling, remediation, payment of fines or penalties, or costs or expenses of litigation related to these permits.

B. Compliance Responsibilities. On and after the date that AEP's existing permits are transferred to CCC, or the date CCC obtains any authorization required for CCC's continued use of the Conner Run Dam and Impoundment, and no later than the date that AEP ceases to dispose of fly ash from the Kammer and Mitchell Plants in the Conner Run Impoundment, CCC shall assume responsibility for complying with the terms and conditions of these permits or any permit or other authorizations issued to replace or in lieu of these permits, including responsibility for all operations, management, and costs related thereto. In the event that permit transfers cannot be completed by July 1, 2015, CCC agrees to pursue all reasonable and prudent measures to secure operational authority and responsibility for the Conner Run Dam and Impoundment, including, but not limited to, the issuance of administrative orders or other temporary operating authority, in order to act as operator and continue to use the Conner Run Dam and Impoundment for its fine coal refuse disposal operations on and after that date. CCC assumes responsibility for all costs and expenses arising from or associated with CCC's operations at the Conner Run Dam and Impoundment on and after the date AEP's existing permits are transferred to or assumed by CCC, or July 1, 2015, which is earlier, including all costs of compliance with AEP's existing permits, if still in effect. If transfer of AEP's existing permits or authorizations for CCC to act as operator cannot be obtained by July 1, 2015, CCC agrees that AEP should be compensated for the period of time after July 1, 2015, that it maintains its existing permits for the Conner Run Dam and Impoundment and the Parties will negotiate and reduce to writing an agreement providing for such compensation at a reasonable rate.

C. Indemnification for Breach of Laws, Regulations or Permits. Each Party will comply with all applicable laws, regulations and permits issued by a governmental authority, including, but not limited to, environmental laws, rules, regulations and permits in their operations at the Conner Run Dam and Impoundment. Except as provided in Paragraph VII.B., above, if any federal, state or local governmental authority or agency brings any claim or action alleging, or otherwise asserts, that a Party has breached any applicable law, rule, regulation or permit, such Party shall indemnify and save the other Party harmless from any costs, expenses, fines or penalties arising out of such claim, action or other assertion, unless both Parties are in breach of or have failed to comply with, or are alleged to have failed to comply with, any

applicable law, rule, regulation or permit, in which case each Party shall conduct its own defense of such claim or action and shall pay its own costs of defense and any costs, expenses, fines and penalties awarded based on such claim or action.

Notwithstanding the foregoing or any other provisions in this Agreement, AEP shall be solely responsible for all costs, fines, penalties, assessments, damages, and other fees and expenses arising out of or related to Case No. 5:15-cv-103 before the United States District Court for the Northern District of West Virginia and all associated Consent Decrees, judgments, and settlements, and AEP agrees to now and hereafter release, indemnify, and hold harmless CCC from all such costs, fines, penalties, assessments, damages, and other fees and expenses. AEP represents and covenants that, as of the date of the Agreement, AEP has not received notice of, nor does AEP have knowledge of any allegations that could give rise to, any action, complaint, penalty, assessment, or any other claim related to a breach of any laws, regulations, or permits at the Conner Run Dam and Impoundment.

D. Indemnification for Damages and Joint Defense. (1) In the event that a claim is asserted or an action is filed against both Parties alleging that personal injuries, including disease or death, and/or third party property damages have occurred as a result of the negligent acts or omissions of the Parties, or arising from an alleged release from or failure of the Conner Run Dam or Impoundment, the Parties will promptly determine if it is appropriate for them to be represented by the same counsel and equally share the costs of such defense. If the Parties decide to use joint counsel, then they shall both cooperate fully with such counsel, and shall share equally in the costs of defense, including attorneys' and expert fees and all other reasonable costs of defense, except that each Party shall bear the costs and expenses of its own employees, agents and contractors, including in-house counsel, while participating in the defense. Each Party shall cooperate in creating a funded escrow account or paying a retainer to counsel that allows prompt processing of costs and expenses. If the Parties decide that their interests preclude the use of joint counsel, each Party will engage counsel of its own choosing at its own expense. If the Parties decide to retain separate counsel, they may still elect to enter into a Joint Defense Agreement that may allow them to cooperate in their defense and share certain costs of defense.

Whether the Parties elect a joint defense or separate counsel, the costs of defense shall be as stated in this section and shall not be reallocated or subject to recovery by one Party from the other Party, regardless of the outcome of the claim or action, except as provided in Subsection VII.D(2) below.

Each Party shall pay any final judgment or award entered against it, or settlement that it reaches, without contribution from the other Party unless, due to joint and several liability, one Party must pay the final judgment entered against the other Party, in which case, such paying Party may bring an action for indemnification against the other Party for the amount of such judgment paid, plus applicable interest and court costs.

(2) In the event that a claim is asserted or an action is filed against one Party (the “Claiming Party”) alleging that personal injuries, including disease or death, and/or third party property damages have occurred as a result of negligent acts or omissions in the operation or use of the Conner Run Dam or Impoundment, or arising from an alleged release from or failure of the Conner Run Dam or Impoundment, and the Claiming Party reasonably believes that responsibility for defending such action and satisfying any resulting judgment should be borne solely or partially by the other Party (the “Responding Party”), then the Claiming Party shall send a written Indemnification Notice to the Responding Party and the Parties will promptly meet (i) to determine in good faith whether it is appropriate for them to coordinate a response to the claim or action, including taking any action consistent with Subsection VII.D(1), above, (ii) to determine if the Responding Party shall indemnify, defend, and hold harmless the Claiming Party from any claims arising out of or related to the Responding Party’s use, at any time, of the Impoundment, and (iii) to determine by agreement what proportional responsibility each Party will have for any final settlement, judgment or award resolving such claim or action. If the parties cannot reach an agreement on all three (3) of the items in the preceding sentence, then the Claiming Party shall retain the right to assert any and all claims against the Responding Party for damages caused, in whole or in part, by the Responding Party to any person or persons, including but not limited to disease or death, and/or third party property damages that have occurred as a result of the Responding Party’s past or future negligent acts or omissions in the operation or use of the Conner Run Dam or Impoundment, or arising from an alleged release from or failure of the Conner Run Dam or Impoundment.

All meetings, communications, conversations, and settlement documents exchanged between the Parties pursuant to, or resulting from the communications set forth in, this Subsection VII.D(2), shall be inadmissible to prove the liability of a Party pursuant to Rule 408 of the West Virginia and Federal Rules of Evidence, as applicable.

(3) In the event that one Party is determined through a final judgment, following all available appeals, to be 100% liable for any damages owing to the plaintiff(s) in an action, and the other Party is determined to have no liability for any damages owing to the plaintiff(s) in an action, then the Party that is 100% liable shall pay to the other Party all of the other Party's reasonable costs and expenses, including attorney's and expert fees, spent defending such action.

E. Coarse Coal Refuse Disposal Sites. CCC shall retain all responsibility for the treatment of any run-off from the coarse coal refuse disposal areas in the Conner Run watershed.

VIII. Water Quality and Groundwater Data

A. Baseline Influent Data. In accordance with the Protocol attached to the 2003 Agreement, AEP has collected and maintained information on influent characteristics for the fly ash and fine coal refuse influents to the Conner Run Impoundment. These influent analyses show that the materials contributed by both Parties contain concentrations of many of the same constituents, including many trace metals, boron, calcium, chloride, sodium and sulfates, in varying amounts. AEP has made copies of these historic data available to CCC.

B. Future Influent Data. AEP will continue to sample the influents to the Conner Run Impoundment as required by the terms of its current SW/NPDES permit, and will make any additional data collected available to CCC at the time operational responsibility for the Conner Run Impoundment and the permits referenced in Section VII are transferred to CCC or replaced by similar permits. Thereafter, CCC shall collect similar data for the influents to the Conner Run Impoundment, if and as required by the governing permits for the impoundment, and if no such data is required to be collected by those permits, CCC shall on an annual basis collect a representative sample of the influents from its operations, and provide the results of its analysis of those influents, and the results of any analysis required by Section III.D for any new influents, to AEP's Operational and Managerial Representatives as provided in Section V.

C. Groundwater Quality and Protection Issues. AEP has performed groundwater monitoring and sampling in accordance with Paragraph 16 (a) of the 2003 Agreement and the costs of that program have been shared in accordance with Paragraph 16 (b) of the 2003 Agreement. To date, no assessment or remediation has been required. Prior to the transfer of operational responsibility for the Conner Run Dam and Impoundment to CCC, AEP shall provide to CCC copies of all annual reports and other ground water monitoring information that AEP has submitted to the WV DEP as required by the SW/NPDES permit. At thirty (30) days prior to a meeting of the Managerial Representatives, or upon AEP's reasonable request, CCC shall provide AEP with copies of all annual reports and other ground water monitoring information collected by CCC and submitted in accordance with the SW/NPDES permit, its mining permits, or any orders or other requirements imposed by any applicable regulatory authority.

IX. Force Majeure

A. Force Majeure Not a Breach. Neither Party shall be in breach of this Agreement to the extent that any delay or default in performance is due to a Force Majeure Event. No delay in performance resulting from a Force Majeure Event shall result in any liability on the part of either Party.

B. Notice. The delaying or affected Party shall immediately notify the other Party of the beginning of the delaying or other Force Majeure Event. The notice shall contain a detailed account of the delay, including the cause of the delay, an estimate of the duration of the delay, an estimate of the delay's impact to the schedule, and the plan to mitigate the effects of the delay.

C. Extension to Perform. As agreed by the Parties, to the extent necessary to address any delay associated with a Force Majeure Event, the delaying Party shall be granted an extension of time to perform its obligations under this Agreement.

D. Definition. A “Force Majeure Event” means any cause that is beyond the reasonable control and without the fault or negligence of the delaying Party, including, but not limited to, Acts of God, insurrections, riots, wars and warlike operations, terrorism, civil disturbances, explosions, governmental or military acts, epidemics, labor strikes, fires, floods, earthquakes, severe weather, import quotas, accidents, tampering, acts of the public enemy, embargoes, blockades, the inability to obtain required materials, qualified labor, or transportation, and the like.

X. Dispute Resolution

A. Informal Disputes. The Parties will make every reasonable effort to resolve disputes arising under this Agreement through negotiation. If a dispute arises between the Parties, the Operational Representatives will first strive to resolve the dispute. If the Operational Representatives cannot resolve the dispute within fifteen (15) business days from the time that one Party gives notice of the dispute to the other Party, then the Managerial Representatives shall meet to attempt to resolve the dispute. If the Managerial Representatives are unable to resolve a dispute within fifteen (15) business days following elevation of the dispute to their level, then each Party shall appoint a senior executive who shall attempt to resolve the dispute.

B. Notice of Dispute. Either Party asserting a dispute that is not resolved through the informal dispute resolution process at the Operational or Managerial Representative levels shall deliver a written notice to the other Party describing the dispute and proposing a resolution. For a period of ten (10) business days following receipt of the notice of dispute, the senior executives of the Parties shall attempt in good faith to resolve the dispute through negotiations. If such negotiations result in an agreement in principle to settle the dispute, they shall cause a written settlement agreement to be prepared, signed and dated, whereupon the dispute shall be deemed settled and not subject to further dispute resolution.

C. Unresolved Dispute; Waiver of Jury Trial. If the senior executives of the Parties are unable to settle the dispute within the time allotted, the dispute may be submitted, by mutual agreement of the Parties, to mediation to occur at a mutually agreeable location with a mutually

selected mediator. The Parties reserve all rights to adjudicate any dispute not submitted to mediation or resolved through mediation, in any court of competent jurisdiction located in the States of Ohio or West Virginia; *provided, however*, that each Party waives the right to a trial by jury in any such action.

D. Exception for Injunctive Relief. Notwithstanding the dispute resolution process set forth above, either Party may request injunctions, seizure orders, writs of attachment, restraining orders, and other extraordinary remedies, from any court of competent jurisdiction located in the county of the defendant's principal place of business in the case of any imminent threat of irreparable injury, without the posting of a bond or proof of monetary damages. Each Party shall allow, to the maximum extent practicable, uninterrupted access to and the right to ongoing operation of each Party's respective facilities with minimum disruption.

XI. General Provisions

A. This Agreement shall commence on the Effective Date and, unless earlier terminated due to a Party's default, shall terminate on the date that both Parties' operations in the Conner Run Impoundment cease, or the date that AEP's closure obligations under Section VI are satisfied, whichever is earlier.

B. Each Party shall be solely responsible for the supervision, direction and control of its employees and subcontractors, and for the payment of all compensation, benefits and employment taxes with respect to its employees. Neither Party shall act as the agent for the other Party, or create any binding obligations for the other Party.

C. Neither Party may assign any of its rights or obligations under this Agreement, by operation of law or otherwise, without the prior express written consent of the other Party; *provided however*, that either Party may assign this Agreement without such consent, with 60 days prior written notice, if such assignment is to an affiliate, or in connection with a merger, acquisition, corporate reorganization, sale of all or substantially all of the relevant assets, or other change of control. Any attempted assignment in violation of this Section shall be null and void.

Subject to the foregoing, this Agreement shall bind and inure to the benefit of the Parties, their respective successors and permitted assigns.

D. The unenforceability of any provision of this Agreement shall not impair the enforceability of any other part of this Agreement. If any provision is deemed to be invalid or unenforceable, in whole or in part, this Agreement, as necessary, shall be deemed amended to delete or modify the invalid or unenforceable provision to render it valid, enforceable and, insofar as possible, consistent with the original intent of the Parties.

E. Any notice with respect to this Agreement shall be in writing and shall be effective on the date received (unless such notice specifies a later date), and shall be sent by courier or overnight service that confirms delivery in writing, or by certified mail, return receipt requested, or by e-mail, addressed to a Party at the address of its Operational Representative.

F. Neither Party may issue a press release or otherwise make a public announcement about this Agreement, or the subject matter thereof, without the other Party's prior written consent. This provision shall not affect or prohibit a Party's recording of a memorandum of this Agreement or related documents in a County Recorder's Office or the filing of notices or required information pertaining to this Agreement with any governmental agency or office.

G. Each Party agrees that it will not, without the prior written consent of the other Party, disclose to any third party or use for its own benefit any Confidential Information of the other Party. "Confidential Information" shall mean all information concerning or related to the terms and conditions of this Agreement, business, operations, financial condition or prospects of each Party, regardless of the form in which such information appears and whether or not such information has been reduced to a tangible form; provided, that the Confidential Information shall not include (i) information which is or becomes generally known to the public through no act or omission by a Party, (ii) information which is known by or in the possession of the non-disclosing Party at the time of its disclosure, (iii) information which has been or hereafter is lawfully obtained by a Party from a source other than the other Party, so long as, in the case of information obtained from a third party, such third party was or is not, directly or indirectly,

subject to an obligation of confidentiality owed to the other Party at the time such Confidential Information was or is disclosed to the other Party, and (iv) information which is released from confidential treatment by mutual written consent of the Parties or which is specifically identified as not confidential by the non-disclosing Party. This provision shall not affect or prohibit a Party's recording of a memorandum of this Agreement or related documents in a County Recorder's Office or the filing of notices, applications, or other required information pertaining to this Agreement with any governmental agency or office.

H. This Agreement shall be governed by the laws of the State of Ohio, irrespective of its choice of laws principles.

I. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which shall constitute one and the same instrument.

J. Each Party represents and warrants that the individual executing this Agreement on behalf of such Party is duly authorized to execute the Agreement and to bind such Party hereto. Each Party further represents and warrants that this Agreement is a valid and binding obligation of such Party and enforceable against such Party in accordance with its terms.

K. This Agreement constitutes the final, complete and exclusive contract between the Parties with respect to the subject matter hereof, and supersede any prior or contemporaneous proposal or representations with regard thereto.

L. Except for costs and expense as allocated herein, each Party shall bear its own costs and pay its own expenses incident to this Agreement.

M. Each Party will comply with all applicable laws with respect to its performance under this Agreement.

N. The headings in this Agreement will not be employed in the interpretation hereof. Both Parties have participated equally in the negotiation and drafting of this Agreement. This Agreement will not be interpreted more favorably for one Party than the other Party.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the Effective Date above.

KENTUCKY POWER COMPANY

CONSOLIDATION COAL COMPANY

By: 

By: 

Title: Vice President

Title: Vice President

ATTACHMENT A

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**OHIO POWER COMPANY
MITCHELL PLANT LANDS
LOCATED EAST OF STATE ROUTE 2
FRANKLIN DISTRICT, MARSHALL COUNTY, WEST VIRGINIA
476.56 - ACRE PARTITION BOUNDARY SURVEY**

EXHIBIT A-1

ALL THAT CERTAIN tract of land, hereinafter referred to as Area "A", situated in Franklin District, Marshall County, West Virginia, being more particularly bounded and described as follows:

BEGINNING at a Mag-Nail, set, in the centerline of West Virginia State Route 2 at Centerline Station 136 + 30.0 as computed from the Highway Right-of-Way Plans for Federal Project Number P 184 (13) Dated 1956 Revised 2/13/1957;

Thence, leaving said centerline and continuing along a reference line South 57° 34' 23" East, a distance of 4,856.30 feet to a point. Said point is a common corner between the lands of Ohio Power Company, as recorded at the Office of the Clerk of Marshall County in Deed Book 440 at page 300, and the lands of Consolidation Coal Company, as recorded at said clerk's office in Deed Book 315 at page 417. Said point is also the **True Point of Beginning** of the herein described tract of land;

Thence, continuing with the common bounds of the lands of Ohio Power Company, as recorded in said Deed Book 440 at page 300, and the lands of Consolidation Coal Company, as recorded in said Deed Book 315 at page 417, along the following ninety-five (95) courses and distances:

- 1) North 64° 27' 46" East, a distance of 125.00 feet to a point;
- 2) South 82° 18' 14" East, a distance of 190.00 feet to a point;
- 3) North 07° 34' 46" East, a distance of 70.00 feet to a point;
- 4) North 31° 47' 46" East, a distance of 122.00 feet to a point;
- 5) North 51° 07' 47" East, a distance of 130.00 feet to a point;
- 6) North 06° 07' 46" East, a distance of 70.00 feet to a point;

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- 7) North 33° 14' 13" West, a distance of 165.00 feet to a point;
- 8) North 04° 32' 13" West, a distance of 190.00 feet to a point;
- 9) North 52° 47' 46" East, a distance of 40.00 feet to a point;
- 10) North 09° 25' 46" East, a distance of 135.00 feet to a point;
- 11) North 32° 03' 46" East, a distance of 85.00 feet to a point;
- 12) North 84° 32' 47" East, a distance of 120.00 feet to a point;
- 13) South 71° 57' 13" East, a distance of 240.00 feet to a point;
- 14) North 26° 34' 48" East, a distance of 145.00 feet to a point;
- 15) North 52° 59' 00" East, a distance of 185.86 feet to a point;
- 16) South 73° 34' 13" East, a distance of 1740.66 feet to a point;
- 17) South 45° 32' 16" West, a distance of 68.81 feet to a point;
- 18) South 06° 33' 54" East, a distance of 81.32 feet to a point;
- 19) South 27° 21' 35" West, a distance of 72.90 feet to a point;
- 20) South 22° 25' 43" West, a distance of 128.72 feet to a point;
- 21) South 22° 08' 43" West, a distance of 78.98 feet to a point;
- 22) South 31° 37' 57" West, a distance of 142.37 feet to a point;
- 23) South 32° 03' 27" West, a distance of 227.57 feet to a point;

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- 24) South 04° 37' 45" West, a distance of 146.04 feet to a point;
- 25) South 10° 37' 31" West, a distance of 98.49 feet to a point;
- 26) South 08° 43' 30" West, a distance of 124.80 feet to a point;
- 27) South 07° 03' 25" West, a distance of 179.31 feet to a point;
- 28) South 02° 44' 44" East, a distance of 261.71 feet to a point;
- 29) South 06° 36' 50" East, a distance of 178.28 feet to a point;
- 30) South 08° 47' 11" West, a distance of 141.68 feet to a point;
- 31) South 05° 26' 33" East, a distance of 268.38 feet to a point;
- 32) South 08° 36' 37" East, a distance of 310.79 feet to a point;
- 33) South 04° 59' 33" East, a distance of 181.12 feet to a point;
- 34) North 48° 16' 30" East, a distance of 101.94 feet to a point;
- 35) North 40° 10' 31" East, a distance of 206.60 feet to a point;
- 36) North 34° 08' 34" East, a distance of 175.03 feet to a point;
- 37) North 33° 06' 37" East, a distance of 138.41 feet to a point;
- 38) South 07° 47' 26" West, a distance of 247.70 feet to a point;
- 39) South 02° 33' 35" West, a distance of 98.67 feet to a point;
- 40) South 09° 13' 22" East, a distance of 133.43 feet to a point;
- 41) South 00° 50' 13" East, a distance of 137.70 feet to a point;

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- 42) South 07° 41' 55" West, a distance of 209.40 feet to a point;
- 43) South 02° 18' 05" West, a distance of 188.70 feet to a point;
- 44) South 10° 51' 56" East, a distance of 64.55 feet to a point;
- 45) South 45° 07' 23" East, a distance of 161.99 feet to a point;
- 46) South 78° 54' 02" East, a distance of 81.43 feet to a point;
- 47) North 64° 26' 11" East, a distance of 249.29 feet to a point;
- 48) North 50° 35' 11" East, a distance of 59.99 feet to a point;
- 49) South 09° 18' 53" East, a distance of 66.33 feet to a point;
- 50) South 29° 21' 33" East, a distance of 114.16 feet to a point;
- 51) South 56° 54' 09" East, a distance of 80.18 feet to a point;
- 52) South 73° 53' 42" East, a distance of 162.77 feet to a point;
- 53) North 84° 04' 47" East, a distance of 221.99 feet to a point;
- 54) North 85° 49' 32" East, a distance of 215.27 feet to a point;
- 55) North 68° 12' 27" East, a distance of 117.41 feet to a point;
- 56) North 57° 58' 27" East, a distance of 218.09 feet to a point;
- 57) North 27° 08' 24" East, a distance of 85.20 feet to a point;
- 58) North 75° 23' 44" East, a distance of 160.87 feet to a point;
- 59) North 72° 45' 27" East, a distance of 222.13 feet to a point;

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- 60) North 68° 54' 41" East, a distance of 86.44 feet to a point;
- 61) North 56° 59' 42" East, a distance of 217.67 feet to a point;
- 62) North 23° 52' 43" East, a distance of 85.99 feet to a point;
- 63) North 07° 31' 12" East, a distance of 97.17 feet to a point;
- 64) North 35° 10' 50" East, a distance of 153.69 feet to a point;
- 65) North 47° 38' 59" East, a distance of 118.77 feet to a point;
- 66) North 06° 42' 45" East, a distance of 161.19 feet to a point;
- 67) North 12° 02' 08" West, a distance of 175.21 feet to a point;
- 68) North 19° 17' 12" West, a distance of 139.83 feet to a point;
- 69) North 47° 47' 40" West, a distance of 49.51 feet to a point;
- 70) North 17° 45' 15" West, a distance of 244.59 feet to a point;
- 71) North 45° 23' 39" West, a distance of 95.01 feet to a point;
- 72) South 84° 36' 05" East, a distance of 90.80 feet to a point;
- 73) North 63° 22' 44" East, a distance of 77.54 feet to a point;
- 74) North 40° 55' 18" East, a distance of 47.31 feet to a point;
- 75) North 36° 24' 17" East, a distance of 68.80 feet to a point;
- 76) North 23° 49' 28" East, a distance of 44.62 feet to a point;
- 77) North 08° 46' 56" East, a distance of 115.18 feet to a point;

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- 78) North 27° 14' 25" East, a distance of 138.91 feet to a point;
- 79) South 04° 59' 12" West, a distance of 160.33 feet to a point;
- 80) South 11° 47' 44" West, a distance of 207.79 feet to a point;
- 81) South 12° 45' 00" West, a distance of 102.75 feet to a point;
- 82) South 21° 46' 51" East, a distance of 34.60 feet to a point;
- 83) South 32° 52' 49" East, a distance of 293.04 feet to a point;
- 84) South 33° 05' 46" East, a distance of 222.05 feet to a point;
- 85) South 61° 36' 08" East, a distance of 153.25 feet to a point;
- 86) North 81° 23' 09" East, a distance of 206.69 feet to a point;
- 87) North 76° 26' 57" East, a distance of 104.57 feet to a point;
- 88) North 65° 42' 39 " East, a distance of 58.73 feet to a point;
- 89) North 56° 20' 04" East, a distance of 41.61 feet to a point;
- 90) North 58° 20' 05" East, a distance of 146.03 feet to a point;
- 91) North 66° 03' 02" East, a distance of 161.84 feet to a point;
- 92) North 86° 22' 06" East, a distance of 56.90 feet to a point;
- 93) North 78° 28' 02" East, a distance of 42.78 feet to a point;
- 94) North 51° 02' 08" East, a distance of 180.20 feet to a point;
- 95) South 87° 59' 55" East, a distance of 194.17 feet to a point at the common
corner between aforesaid Ohio Power Company, aforesaid Consolidation

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Coal Company and a tract of land conveyed to McElroy Coal Company by deed as recorded at aforesaid clerk's office in Deed Book 628 at page 369;

Thence, leaving the lands of Consolidation Coal Company and continuing with the common bounds between the lands of Ohio Power Company, as recorded at said clerk's office in Deed Book Volume 440, Page 300, and the lands of McElroy Coal Company, along the following two (2) courses and distances:

- 1) South 70° 23' 02" West, a distance of 536.00 feet to a point;
- 2) South 51° 57' 47" West, a distance of 1365.79 feet to a point situated at the common corner between McElroy Coal Company and a parcel of land conveyed to Ohio Power Company by deed recorded at aforesaid clerk's office in Deed Book 403 at page 103, said parcel is designated as First Tract in Deed Book 398 at page 167 as recorded at said clerk's office;

Thence, leaving the lands of McElroy Coal Company and continuing with the common bounds between said First Tract and the lands of Ohio Power Company, as recorded at said clerk's office in Deed Book 440 at page 300, South 54° 13' 02" West, a distance of 460.00 feet to a point. Said point is situated at the common corner between said Ohio Power Company, said First Tract and another parcel of land conveyed to Ohio Power Company by deed recorded at said clerk's office in Deed Book 403 at page 103, said parcel is designated as Second Tract in Deed Book 398 at page 167 as recorded at said clerk's office;

Thence, leaving said First Tract and continuing with the common bounds between said Ohio Power Company and said Second Tract along the next ten (10) courses and distances:

- 1) South 47° 46' 19" West, a distance of 360.00 feet to a point;
- 2) South 68° 39' 35" West, a distance of 1058.01 feet to a point;
- 3) North 65° 13' 41" West, a distance of 614.00 feet to a point;
- 4) North 80° 03' 42" West, a distance of 285.00 feet to a point;
- 5) North 44° 13' 42" West, a distance of 522.00 feet to a point;

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- 6) North 73° 13' 41" West, a distance of 380.00 feet to a point;
- 7) South 66° 46' 18" West, a distance of 185.00 feet to a point;
- 8) South 05° 43' 41" East, a distance of 395.00 feet to a point;
- 9) South 63° 53' 41" East, a distance of 272.00 feet to a point;
- 10) South 15° 06' 19" West, a distance of 112.00 feet to a point situated at the common corner of said Ohio Power Company and the lands of Consolidation Coal Company, as recorded at aforesaid clerk's office in Deed Book 315 at page 417;

Thence, leaving said Second Tract and continuing with the common bounds between the said lands of Ohio Power Company, as recorded at said clerk's office in Deed Book 440 at page 300, the lands of said Consolidation Coal Company, as recorded at said clerk's office in Deed Book 315 at page 417, and another parcel of land conveyed to Consolidation Coal Company by deed recorded at said clerk's office in Deed Book 649 at page 233, along the following twenty-five (25) courses and distances:

- 1) North 67° 10' 27" West, a distance of 164.84 feet to a point;
- 2) North 77° 47' 45" West, a distance of 28.99 feet to a point;
- 3) South 51° 20' 28" West, a distance of 161.06 feet to a point;
- 4) South 59° 18' 39" West, a distance of 184.09 feet to a point;
- 5) South 43° 30' 14" West, a distance of 220.69 feet to a point;
- 6) South 58° 02' 38" West, a distance of 155.15 feet to a point;
- 7) South 54° 06' 02" West, a distance of 157.89 feet to a point;
- 8) South 32° 14' 27" West, a distance of 163.06 feet to a point;

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- 9) South 68° 19' 24" West, a distance of 190.61 feet to a point;
- 10) South 68° 26' 54" West, a distance of 60.64 feet to a point;
- 11) South 84° 36' 16" West, a distance of 120.74 feet to a point;
- 12) North 71° 03' 50" West, a distance of 133.34 feet to a point;
- 13) North 68° 35' 21" West, a distance of 102.10 feet to a point;
- 14) North 80° 47' 59" West, a distance of 158.35 feet to a point;
- 15) North 88° 48' 05" West, a distance of 73.48 feet to a point;
- 16) North 74° 38' 24" West, a distance of 249.61 feet to a point;
- 17) South 45° 13' 47" West, a distance of 281.70 feet to a point;
- 18) South 04° 05' 43" West, a distance of 36.37 feet to a point;
- 19) South 06° 35' 53" East, a distance of 211.94 feet to a point;
- 20) South 32° 42' 57" West, a distance of 165.89 feet to a point;
- 21) South 29° 01' 51" West, a distance of 44.43 feet to a point;
- 22) South 68° 05' 23" West, a distance of 120.22 feet to a point;
- 23) South 15° 08' 00" West, a distance of 65.02 feet to a point;
- 24) South 30° 38' 41" East, a distance of 74.15 feet to a point;
- 25) South 75° 13' 04" West, a distance of 3064.83 feet to a Pk-Nail, set, in the centerline of West Virginia State Route 2. Said point being situated at Centerline Station 57+15.08 as computed from the Highway Right-of-Way Plans for Federal Project Number F 184 (13) Dated 1956 Revised

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2/13/1957. Said point is also the common corner between the tract of land herein described, a parcel of land conveyed to Consolidation Coal Company by deed recorded at aforesaid clerk's office in Deed Book 649 at page 233 and the lands of Ohio Power Company, as recorded at said clerk's office in Deed Book 403 at page 103 and in Deed Book 799 at page 509, respectively;

Thence, leaving said Consolidation Coal Company and continuing along the said centerline of West Virginia State Route 2 and with the common bounds between said lands of Ohio Power Company, as recorded at said clerk's office in Deed Book 403 at page 103 and in Deed Book 440 at page 300, North 03° 25' 28" West, a distance of 2058.58 feet to a Pk-Nail, set, in the centerline of West Virginia State Route 2. Said point being situated at Centerline Station 77+73.66 as computed from the Highway Right-of-Way Plans for Federal Project Number F 184 (13) Dated 1956 Revised 2/13/1957. Said point is situated at a common corner between Area "A" (the tract of land herein described) and Area "B", as shown on the survey plat labeled Exhibit A-2 and entitled "**PARTITION BOUNDARY SURVEY - MITCHELL PLANT LANDS LOCATED EAST OF STATE ROUTE 2 FOR OHIO POWER COMPANY**" prepared by Michael Baker, Jr., Inc. and dated December 23, 2013, and by this reference hereby made a part hereof, said survey plat to be recorded in the Map Cabinet of Marshall County at the same time as the recordation of this Exhibit A-1. Aforesaid point is also situated at the beginning of a new Partition Line through the 760.36-acre tract of land conveyed to said Ohio Power Company by deed recorded at said clerk's office in Deed Book 440 at page 300;

Thence, leaving said centerline and continuing with said Partition Line through said 760.36-acre tract along the following twenty-nine (29) courses and distances:

- 1) North 86° 34' 32" East, a distance of 300.00 feet to a ¾-inch rebar and cap, set;
- 2) South 03° 25' 28" East, a distance of 1508.87 feet to a ¾-inch rebar and cap, set;
- 3) North 74° 04' 32" East, a distance of 191.62 feet to a ¾-inch rebar and cap, set;

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- 4) North 49° 21' 26" West, a distance of 30.15 feet to a point;
- 5) 116.43 feet along the arc of a curve to the right to a point, said curve having a radius of 120.00 feet and a chord that bears North 21° 33' 44" West, a distance of 111.91 feet;
- 6) North 06° 13' 58" East, a distance of 863.99 feet to a point;
- 7) North 29° 26' 00" East, a distance of 143.96 feet to a point;
- 8) North 08° 06' 58" West, a distance of 156.15 feet to a point;
- 9) North 18° 02' 04" East, a distance of 443.42 feet to a point;
- 10) North 09° 31' 55" East, a distance of 379.41 feet to a point;
- 11) North 05° 44' 28" East, a distance of 296.80 feet to a point;
- 12) 163.47 feet along the arc of a curve to the right to a point, said curve having a radius of 130.00 feet and a chord that bears North 41° 45' 52" East, a distance of 152.91 feet;
- 13) North 77° 47' 16" East, a distance of 16.08 feet to a point;
- 14) 213.74 feet along the arc of a curve to the right to a point, said curve having a radius of 500.00 feet and a chord that bears South 89° 57' 58" East, a distance of 212.11 feet;
- 15) South 77° 43' 12" East, a distance of 149.57 feet to a point;
- 16) 179.09 feet along the arc of a curve to the left to a point, said curve having a radius of 200.00 feet and a chord that bears North 76° 37' 39" East, a distance of 173.17 feet;
- 17) North 50° 58' 30" East, a distance of 222.79 feet to a point;

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- 18) North 47° 00' 55" East, a distance of 204.32 feet to a point;
- 19) 146.28 feet along the arc of a curve to the right to a point, said curve having a radius of 250 feet and a chord that bears North 63° 46' 40" East, a distance of 144.20 feet;
- 20) North 80° 32' 26" East, a distance of 142.20 feet to a point;
- 21) 172.44 feet along the arc of a curve to the left to a point, said curve having a radius of 225.00 feet and a chord that bears North 58° 35' 05" East, a distance of 168.25 feet;
- 22) North 36° 37' 44" East, a distance of 105.95 feet to a point;
- 23) South 60° 54' 33" East, a distance of 109.43 feet to a point;
- 24) North 48° 06' 30" East, a distance of 357.91 feet to a point;
- 25) North 55° 08' 21" East, a distance of 72.01 feet to a point;
- 26) North 41° 36' 54" East, a distance of 336.48 feet to a point;
- 27) North 40° 32' 54" East, a distance of 409.02 feet to a point;
- 28) 24.36 feet along the arc of a curve to the right to a point, said curve having a radius of 560.00 feet and a chord that bears North 41° 47' 40" East, a distance of 24.36 feet;
- 29) North 06° 09' 14" East, a distance of 564.06 feet to a point. Said point is situated at the common corner of said Area "A", said Area "B" and a parcel of land conveyed to Consolidation Coal Company by deed recorded at aforesaid clerk's office in Deed Book 315 at page 417. Said point is also situated at the terminus of said Partition Line;

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Thence, leaving said Area "B" and continuing with the common bounds between said Ohio Power Company and said Consolidation Coal Company North 30° 07' 46" East, a distance of 105.00 feet to a point;

Thence, continuing with said common bounds North 41° 12' 47" East, a distance of 225.00 feet to the True Point of Beginning.

The herein described tract of land contains 479.31 acres, more or less, as designated as Area "A" (before Exception) on said survey plat labeled Exhibit A-2.

The herein described tract of land is a part of a 760.36-acre tract of land conveyed to Ohio Power Company from Consolidation Coal Company by deed dated August 31, 1973 and recorded at the Office of the Clerk of Marshall County in Deed Book 440 at page 300.

The bearings in the above description are based upon the West Virginia State Plane Coordinate System (North Zone) NAD83 Datum.

Auditor's Tax Parcel No. 05-6-0003-0000-0000 (Part)

EXCEPTING THEREFROM, the following described tract of land:

ALL THAT CERTAIN parcel of real estate conveyed to Consolidation Coal Company by deed recorded at the Office of the Clerk of Marshall County in Deed Book 315 at page 417 situated in Franklin District, Marshall County, West Virginia being more particularly bounded and described as follows:

BEGINNING at a Mag-Nail, set, in the centerline of West Virginia State Route 2 at Centerline Station 136 + 30.0 as computed from the Highway Right-of-Way Plans for Federal Project Number F 184 (13) Dated 1956 Revised 2/13/1957;

Thence, leaving said centerline and continuing along a reference line South 13° 13' 33" East, 6667.16 feet to a point situated at the northeastern corner of a parcel of real estate conveyed to Consolidation Coal Company by deed recorded at the Office of the Clerk of Marshall County in Deed Book 315 at page 417. Said point is the **True Point of Beginning** of the parcel of real estate herein described. In addition, said point is a common corner to a tract of land designated as Area "A" (479.31 acres before Exception; 476.56 acres after Exception) on the survey plat labeled Exhibit A-2 and entitled "**PARTITION BOUNDARY SURVEY** -

BOOK 0821 PAGE 0406

MITCHELL PLANT LANDS LOCATED EAST OF STATE ROUTE 2 FOR OHIO POWER COMPANY prepared by Michael Baker, Jr., Inc. and dated December 23, 2013, and by this reference hereby made a part hereof, said survey plat to be recorded in the Map Cabinet of Marshall County at the same time as the recordation of this Exhibit A-1.

Thence, continuing with the common bounds of Area "A" South 28° 44' 44" East, 300.00 feet to a point;

Thence, continuing with the common bounds of Area "A" South 61° 15' 16" West, 400.00 feet to a point;

Thence, continuing with the common bounds of Area "A" North 28° 44' 44" West, 300.00 feet to a point;

Thence, continuing with the common bounds of Area "A" North 61° 15' 16" East, 300.00 feet to the True Point of Beginning.

The herein described tract of land contains 2.75 acres, more or less, as designated as Area "C" on said survey plat labeled Exhibit A-2.

The bearings in the above description are based upon the West Virginia State Plane Coordinate System (North Zone) NAD83 Datum.

The above-described Exception is a part of the same real estate conveyed to Consolidation Coal Company by The M. A. Hanna Company, by deed dated May 22, 1956, recorded at the Office of the Clerk of Marshall County, WV in Deed Book 315 at page 417 and the same 2.754 acre exception as described in a conveyance to Ohio Power Company from Consolidation Coal Company by deed dated August 31, 1973 and also recorded at said clerk's office in Deed Book 440 at page 300.

Auditor's Tax Parcel No. for Exception: 05-7-0002-0000-0000

Leaving, after said Exception, 476.56 acres, more or less.

A small-scale plat of the Partition Boundary Survey is attached hereto for reference purposes



Frazer
JOHN S. FRAZER WV PS NO. 1843

12/23/2013
DATE

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OHIO POWER COMPANY
MITCHELL PLANT LANDS
LOCATED EAST OF STATE ROUTE 2
FRANKLIN DISTRICT, MARSHALL COUNTY, WEST VIRGINIA

EXHIBIT B

Those certain parcels or tracts of land, situated in Franklin District, Marshall County, West Virginia, being more particularly bounded and described as follows, to-wit:

~~First Tract. Beginning at a sycamore stump at the forks of a run, corner of the S. H. Gatts and J. Hudson Gatts lands; thence up the left branch of said run with the J. Hudson Gatts land N. 67° 49' W. 222 feet, N. 46° 03' W. 240 feet, N. 44° 49' W. 210 feet, N. 68° 49' W. 270 feet, N. 47° 54' W. 275 feet, N. 8° 30' W. 76 feet to a lynn, N. 12° 23' W. 708 feet to a post; thence leaving said branch and still with the J. Hudson Gatts Line N. 80° 53' W. 788 feet to a stake in line of the J. Hudson Gatts land and land of Jerry Gatts' Heirs at the center of the road; thence up the road and with the line of Jerry Gatts' heirs N. 8° 20' E. 74 feet, N. 36° 32' E. 445 feet, N. 22° 02' E. 396 feet to a white oak stump, on the side of the road; thence leaving the road and still with the line of Jerry Gatts' heirs, N. 31° 13' W. 383 feet to the place where a red oak stood; thence with the same N. 33° 43' W. 775 feet to the place where an ironwood stood, corner to the land of Jerry Gatts' heirs and Lemuel Taylor land; thence with the Lemuel Taylor line N. 54° 50' E. 460 feet to the place where a beech stood, corner to the Lemuel Taylor land and the land of Peter Gatts' heirs; thence S. 74° 45' E. 792 feet to a poplar on the bank of a run; thence with same S. 64° 20' E. 315 feet to a white walnut; thence with said _____ S 86° 04' E. 521 feet to a stake in the center of the county road; thence with the county road S. 30° 40' W. 512 feet to a stake in the center of the county road; thence leaving the county road S. 76° E. 890 feet to a stake in the original line; thence with the original line S. 2° E. 39 feet to a stone at the forks of the run, an original corner; thence leaving the original line and running down the run S. 37° 15' W. 114 feet to a stake in the run, near the north end of a large cliff of rocks; thence S. 2° 30' W. 139 feet to a black walnut standing on the west bank of the run; thence S. 15° E. 120 feet to a stake on the bank of the run, an original corner; thence down the run with the Gatts line S. 8° 45' E. 122 feet, S 9° 37' E. 253 feet, S 4° 07' E. 143 feet, S. 1° 43' E. 296 feet, S. 5° 54' E. 202 feet, S. 1° 24' E. 279 feet, S. 43° 32' W. 168 feet, S. 24° 20' E. 57 feet, S. 26° 40' W. 244 feet, S. 15° 22' W. 179 feet, S. 40° 46' W. 246 feet, S. 36° 16' W. 103 feet to a sycamore stump, the place of beginning, containing one hundred and forty-five (145) acres, more or less, as per survey of H. T. Hirst, Civil Engineer, made in 1902.~~

~~There is excepted and reserved, however, the following described parcel of land and right-of-way heretofore conveyed by Charles E. Henthorn and Marguerite L. Henthorn, his wife, to Mabel Baker, by deed dated the 27th day of March, 1958, and recorded in the office of The Clerk of the County Court of said Marshall County in Deed Book No. 229, page 281, to-wit:~~

BOOK 0821 PAGE 0409

Beginning at a stake located N. 63° 00' E. 142.70 feet from an electric pole on the within described premises, said pole being designated "W. E. 27-1798", said pole being the most southerly of a series and being located S. 16° 41' E. 1460.50 feet from an electric pole on the north side of the Taylor's Ridge County Road, the last named pole being designated "W. E. 82-27"; thence with the land of Henthorn S. 10° 28' E. 107.80 feet to a post; thence with an existing fence S. 55° 17' W. 176.00 feet to a corner fence post; thence with Henthorn with an existing fence N. 52° 47' W. 59.50 feet to a post; thence with same N. 26° 31' W. 151.50 feet to a corner fence post; thence with Henthorn N. 48° 27' E. 161.80 feet to the largest of a group of four elms about ten feet below fence; thence with Henthorn S. 58° 30' E. 139.60 feet to the place of beginning, containing 1.009 acres, more or less, according to a survey made March 22, 1958, by Gordon W. Sammons, Civil Engineer, also a right-of-way over, along and upon a certain existing road way or lane extending from the east side of the property hereinbefore described and running to the south side of Taylor's Ridge County Road.

There is excepted and reserved a parcel of land consisting of approximately one-fourth (1/4) acre which has heretofore been set aside, used and dedicated as a cemetery or graveyard.

There is excepted and reserved all the coal within and underlying said land together with the mining rights and privileges which were conveyed by Andrew J. Gatts and wife to Emily Derrick by deed dated April 28, 1903, and recorded in the office of the Clerk of the County Court of Marshall County, West Virginia in Deed Book No. 98, at page 365.

There is also excepted and reserved such oil and gas and royalty payments as have been heretofore excepted and reserved in prior deeds.

Auditor's Tax Parcel No. 05-5-0006-0000-0000

Second Tract: Beginning at a white oak, corner to lands of Pollock and Yost in the line of lands of J. C. Thomas Heirs; thence with line of Pollock and Yost N. 49° 25' W. 247 feet to a white oak; thence N. 47° 32' W. 868 feet to a dead white oak; thence N. 15° E. 615 feet to a stake and small sugar; thence N. 64° W. 272 feet to a stake on a steep bank or hill side; thence N. 6° 50' W. 395 feet to a stake near the run; thence up said run N. 66° 40' W. 185 feet to a stake, thence S. 73° 20' E. 380 feet to a stake, thence S. 44° 20' E. 522 feet to a stake; thence S. 80° 10' E. 285 feet to a stake; thence S. 65° 20' E. 614 feet to a stake; thence N. 68° 36' E. 1060 feet to a Lynn; thence N. 47° 40' E. 363 feet to a stake – an ironwood called for in the original deed – corner to lands of A. J. Gatts; thence with the said line of said A. J. Gatts, S. 33° 16' E. 752 feet to a stake; thence S. 30° 46' E. 383 feet to a stake by the county road; thence with the said county road; thence S. 22° 30' W. 400 feet to a point in the center of said county road; thence S. 37° 30' W. 445 feet to a stake near the house; thence S. 11° 45' W. 74 feet to a stone, corner to lands of A. J. Gatts and Jacob Bassett; thence with said Bassett's line S. 10° E. 352 feet to a stone; thence leaving the county road S. 72° W. 433 feet to a wild cherry; thence S. 63° 28' W. 509 feet to a small hickory on a small run; thence down said run S. 14° 14' W. 206 feet to a dead sugar tree; thence S. 4° 47' E. 444 feet to an ash; thence S. 8° 25' W. 269 feet to a stake near an ironwood pointer; thence N.

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83° W. 551 feet to a stone; thence N. 25° 30' W. 1650 feet to a white oak, and the place of beginning, containing one hundred and forty-eight and thirteen one-hundredths (148 13/100) acres, more or less.

There is excepted and reserved, however, the following described parcel of land:

Beginning at a point in the center of the Taylors Ridge County road and a corner to Charles Henthorn, said point being located N. 66 deg. 26' E. 58.00 feet from the southeast corner of the Kenneth Richmond residence, and being also located S. 76 deg. 57' E. 44.00 feet from the northeast corner of said residence; thence running with Henthorn and the center of said road S. 27 deg. 40' W. 186.00 feet to a point in the center of said road; thence leaving said road and running with land remaining to Richmond N. 29 deg. 27' W. 329.50 feet to a stake, said line passing a stake and post at the west side of said county road at 20.50 feet; thence with same N. 60 deg. 33' E. 156.25 feet to a stake in fence row in Charles Henthorn-Kenneth Richmond line, said stake being located S. 29 deg. 27' E. 42.50 feet from a corner fence post in said line; thence with said line S. 29 deg. 27' E. 228.50 feet to the place of beginning, containing 1.000 acre, more or less, according to a survey made August 16, 1958 by Gordon W. Sammons, Civil Engineer.

There is excepted and reserved all the coal within and underlying said land together with the mining rights and privileges which were conveyed to William W. Brownfield by the following deeds: W. S. Gatts, Guardian, et al., by deed dated July 24, 1902, recorded in Deed Book No. 89 at page 327; deed of James Hudson Gatts and wife by deed dated July 25, 1902, recorded in Deed Book No. 89 at page 274; deed of Mary Blanche Gatts, single, by deed dated December 22, 1903, recorded in Deed Book No. 105 at page 371, all in Marshall County, West Virginia records.

There is also excepted and reserved such oil and gas and royalty payments as have heretofore been excepted and reserved in prior deeds.

Auditor's Tax Parcel No. 05-5-0003-0000-0000

First Tract and Second Tract being the same property conveyed to Appalachian Power Company by Consolidation Coal Company, by deed dated March 6, 1968, and recorded in Book 398, Page 167, Marshall County Deed Records.

First Tract and Second Tract also being part of the same property conveyed to Ohio Power Company by Appalachian Power Company, by deed dated October 17, 1968, and recorded in Book 403, Page 103, Marshall County Deed Records.

**AEP GENERATION RESOURCES INC.
KAMMER-MITCHELL POWER PLANT
GATTS RIDGE TRACTS
FRANKLIN DISTRICT, MARSHALL COUNTY, WEST VIRGINIA**

EXHIBIT C

**Legal Description
for
LOT B
Part of Exhibit B, First Tract**

A certain tract of land situated in the State of West Virginia, Marshall County, Franklin District, and being more particularly bounded and described as follows:

BEGINNING at a corner common to the lands now owned by AEP Generation Resources Inc. (1/2 interest) (D. B. 821, Pg. 505; Parcel 2, First Tract), and Kentucky Power Company (1/2 interest) (D. B. 821, Pg. 549; Parcel 2, First Tract), and other lands now owned by AEP Generation Resources Inc. (1/2 interest) (D. B. 821, Pg. 386; Exhibit B, First Tract), and Kentucky Power Company (1/2 interest) (D. B. 821, Pg. 470; Exhibit B, First Tract), and being in the center of West Virginia Secondary State Route No. 72, commonly known as Gatts Ridge Road, having a coordinate value of N. 486,029.755 and E. 1,609,370.017, and marking a corner common to Lots B, D and E of this survey, thence, leaving the said Lot D of this survey, and the said Parcel 2, First Tract, of the lands of the said AEP, and severing the said Exhibit B, First Tract, of the other lands of the said AEP, with the center of the said Road, as follows:

South 16° 12' 25" West 335.37 feet; thence, with a curve to the right, having a radius 185.00 feet, and an arc length of 56.02 feet, the long chord of which bears:

South 24° 52' 57" West 55.81 feet; thence,

South 33° 33' 28" West 30.30 feet; thence, with a curve to the right, having a radius 105.00 feet, and an arc length of 189.40 feet, the long chord of which bears:

South 85° 13' 56" West 164.74 feet; thence,

North 43° 05' 36" West 128.20 feet; thence, with a curve to the left, having a radius 295.00 feet, and an arc length of 45.99 feet, the long chord of which bears:

North 47° 33' 39" West 45.95 feet to a corner common to a 1/4 acre Cemetery which has been heretofore set aside and dedicated; thence, leaving the center of the said Road, and the said Lot E, of this survey, and with the said Cemetery, as follows:

North 27° 47' 16" East, passing a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set), at 15.23 feet, in all 107.46 feet to a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set); thence,

North 62° 12' 44" West 104.36 feet to a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set); thence,

South 27° 47' 16" West, passing a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set), at 92.23 feet, in all 107.46 feet to a point in the center of the said Road, and being in the line of the said Lot E, of this survey; thence, leaving the said Cemetery, severing the said Exhibit B, First Tract, of the other lands of the said AEP, with the center of the said Road, and Lot E, of this survey, as follows, with a curve to the left, having a radius 295.00 feet, and an arc length of 3.03 feet, the long chord of which bears:

North 72° 41' 45" West 3.03 feet; thence,

North 72° 59' 24" West 41.72 feet; thence, with a curve to the left, having a radius 495.00 feet, and an arc length of 275.97 feet, the long chord of which bears:

North 88° 57' 42" West 272.41 feet; thence,

South 75° 04' 00" West 73.34 feet; thence, with a curve to the left, having a radius 265.00 feet, and an arc length of 149.91 feet, the long chord of which bears:

South 58° 51' 39" West 147.92 feet to a corner common to Parcel 8 of the lands of the said AEP; thence, leaving the center of the said Road, and Lot E, of this survey, and with the said Parcel 8 of the lands of the said AEP,

North 30° 02' 17" West, passing a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set), at 15.67 feet, passing a corner common to Exhibit B, Second Tract of the other lands of the said AEP, at approximately 228.50 feet, in all 383.00 feet to a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set), on the northwest side of Connors Run Haul Road; thence, continuing with the said Exhibit B, Second Tract, of the other lands of the said AEP,

North 32° 32' 17" West 683.69 feet to a point in line of Area "A" of the lands of the said AEP; thence, leaving the said Exhibit B, Second Tract of the other lands of the said AEP, and with the said Area "A" of the lands of the said AEP,

North 52° 09' 16" East 316.85 feet to a corner common to the lands now or formerly owned by McElroy Coal Company (D. B. 628, Pg. 369); thence, leaving the said Area "A" of the lands of the said AEP, and with the lands of the McElroy Coal Company, as follows:

South 76° 06' 52" East, passing a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set), at 585.73 feet, in all 795.30 feet to a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set); thence,

South 66° 06' 52" East 316.47 feet to a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set); thence,

South 87° 50' 52" East 68.29 feet to a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set) to a corner common to the said Lot D, of this survey, from which a 5/8" reinforcing rod (found), marking the southwest corner of Lot C, of this survey, bears: South 87° 50' 52" East 85.00 feet; thence, leaving the lands of the McElroy Coal Company, and severing the said Exhibit B, First Tract, of the other lands of the said AEP, with the said Lot D, of this survey, as follows:

South 00° 37' 11" East 422.14 feet to a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set); thence,

South 77° 50' 37" East, passing a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set), at 189.00 feet, in all 204.04 feet to the BEGINNING, containing 24.970 acres, more or less, as surveyed under the direct supervision of Ronald L. Eastham, West Virginia Licensed Professional Surveyor No. 150, on November 26, 2014, and being all of Lot B, of this survey, as shown on the attached plat and made a part of this description.

The above survey datum is based on the West Virginia State Plane Coordinate System, North Zone, NAD '83, U.S. Survey (feet).

The above described tract is a part of the same land as that described as Exhibit B, First Tract, in a Limited Warranty Deed from Ohio Power Company, an Ohio corporation, to AEP Generation Resources Inc. (1/2 interest), a Delaware corporation, dated December 31, 2013 and recorded in Deed Book 821, Page 386; a part of the same land as that described as Exhibit B, First Tract, in a Limited Warranty Deed from

Newco Kentucky Inc., a Kentucky corporation, to Kentucky Power Company, (1/2 interest), a Kentucky corporation, dated December 31, 2013, and recorded in Deed Book 821, Page 470; both of which are recorded in the Office of the Clerk of the County Commission of Marshall County, West Virginia.

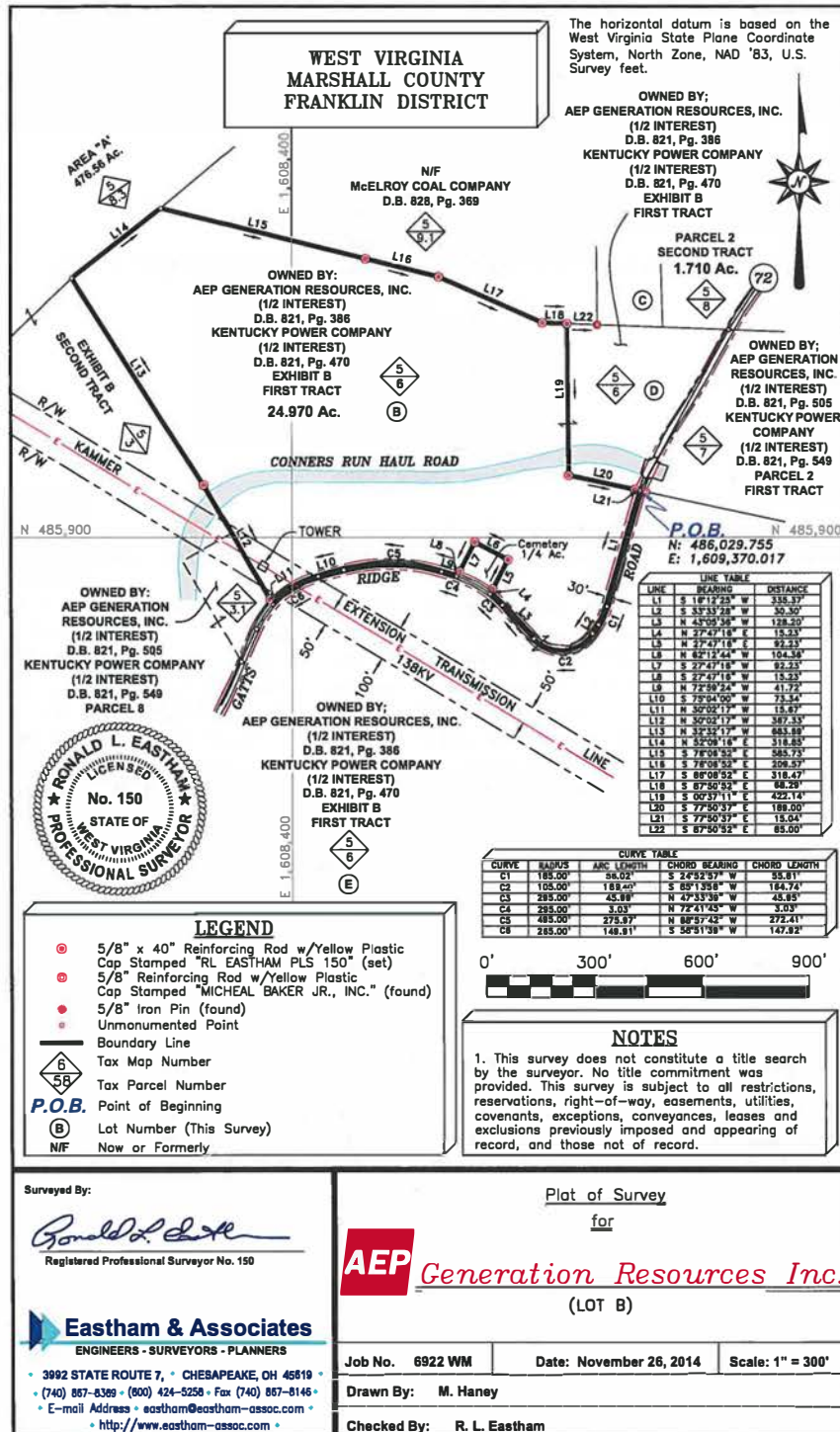
And being a part Tax Map No. 5, Parcel No. 6.

This survey does not constitute a Title Search by the Surveyor. No Title Commitment was provided. This survey is subject to all restrictions, reservations, right-of-ways, easements, utilities, covenants, exceptions, conveyances, leases and exclusions previously imposed and appearing of record, and those not of record.



Ronald L. Eastham, P.S.
Registration No. 150





**AEP GENERATION RESOURCES INC.
KAMMER-MITCHELL POWER PLANT
GATTS RIDGE TRACTS
FRANKLIN DISTRICT, MARSHALL COUNTY, WEST VIRGINIA**

EXHIBIT D

**Legal Description
for
LOT A
Parcel 2
Part of Third Tract**

A certain tract of land situated in the State of West Virginia, Marshall County, Franklin District, and being more particularly bounded and described as follows:

BEGINNING at a 5/8" reinforcing rod (found), marking a corner common to the lands now or formerly owned by McElroy Coal Company (D. B. 628, Pg. 369), and the lands now owned by AEP Generation Resources Inc. (1/2 interest) (D. B. 821, Pg. 505; Parcel 2, Third Tract), and Kentucky Power Company (1/2 interest) (D. B. 821, Pg. 549; Parcel 2, Third Tract), having a coordinate value of N. 486,815.942 and E. 1,609,247.423, and marking a corner common to Lots A and C of this survey, from which a 5/8" reinforcing rod (found), bears: South 00° 37' 11" East 324.32 feet; thence, leaving the said Lot C, of this survey, and with the lands of the said McElroy Coal Company, as follows:

North 39° 52' 37" West 118.90 feet to a 5/8" reinforcing rod (found); thence,

South 87° 40' 31" West 224.54 feet to a 5/8" reinforcing rod (found); thence,

North 57° 27' 33" West 217.24 feet to a 5/8" reinforcing rod (found); thence,

North 60° 12' 31" East 205.18 feet to a 5/8" reinforcing rod (found); thence,

North 78° 39' 41" East 219.20 feet to a 5/8" reinforcing rod (found); thence,

North 50° 57' 04" East 111.07 feet to a 5/8" reinforcing rod with a yellow plastic cap stamped "RL Eastham PLS 150" (set), marking a corner common to Lot C of this survey, from which a 5/8" reinforcing rod (found), bears: North 50° 57' 04" East 312.01 feet; thence, leaving the lands of the said McElroy Coal Company, and severing the said Third Tract of the lands of the said AEP, with the line between the said Lots A and C, of this survey,

South 00° 37' 11" East 414.03 feet to the BEGINNING, containing 2.267 acres, more or less, as surveyed under the direct supervision of Ronald L. Eastham, West Virginia Licensed Professional Surveyor No. 150, on November 26, 2014, and being all of Lot A, of this survey, as shown on the attached plat and made a part of this description.

The above survey datum is based on the West Virginia State Plane Coordinate System, North Zone, NAD '83, U.S. Survey (feet).

The above described tract is a part of the same land as that described as Parcel 2, Third Tract, in a Limited Warranty Deed from Franklin Real Estate Company, a Pennsylvania corporation, to AEP Generation Resources Inc. (1/2 interest), a Delaware corporation, dated December 31, 2013 and recorded in Deed Book 821, Page 505; and a part of the same land as that described as Parcel 2, Third Tract, in a Limited Warranty Deed from Newco Kentucky Inc., a Kentucky corporation, to Kentucky Power Company, (1/2 interest), dated December 31, 2013, and recorded in Deed Book 821, Page 549; both of which are recorded in the Office of the Clerk of the County Commission of Marshall County, West Virginia.

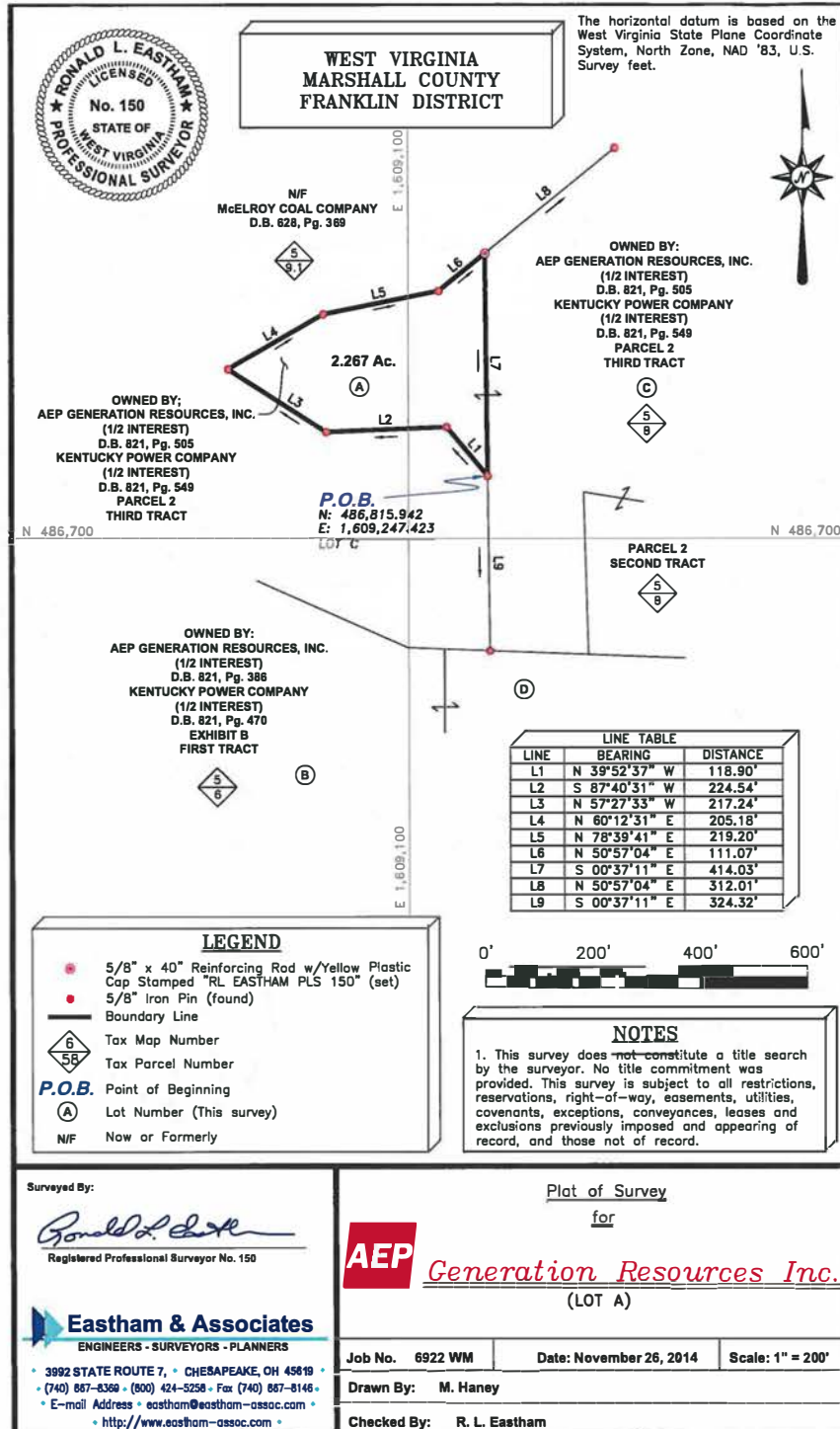
And being a part Tax Map No. 5, Parcel No. 9.

This survey does not constitute a Title Search by the Surveyor. No Title Commitment was provided. This survey is subject to all restrictions, reservations, right-of-ways, easements, utilities, covenants, exceptions, conveyances, leases and exclusions previously imposed and appearing of record, and those not of record.



Ronald L. Eastham, P.S.
Registration No. 150





BOOK 0821 PAGE 0523

EXHIBIT E

Parcel 8 (OPC Reference: Tract # WV051-0112, Land Works # 15911)

The surface only of following real estate whose Tax Map Number is 5, Parcel 3.1, and whose address is R.D. 3, Box 143, Proctor, Franklin District, Marshall County, West Virginia, and being more particularly bonded and described as follows:

Beginning at a point in the center of the Taylor's Ridge County Road and a corner to Charles Henthorn, said point being located N 66°26' E 58.00 feet from the southeast corner of the Kenneth Richmond residence, and being also located S 76°57' E 44.00 feet from the northeast corner of said residence; thence running with Henthorn and the center of said road S 27°40' W 186.00 feet to a point in the center of said road; thence leaving said road and running with land remaining to Richmond N 29°27' W 329.50 feet to a stake, said line passing a stake and post at the west side of said county road at 20.50 feet; thence with same N 60°33' E 156.25 feet to a stake in fence row in Charles Henthorn-Kenneth Richmond line, said stake being located S 29°27' E 42.50 feet from a corner fence post in said line; thence with said line S 29°27' E 228.50 feet to the place of beginning, containing one (1) acre, more or less, according to a survey made August 16, 1958, by Gordon W. Sammons, Civil Engineer.

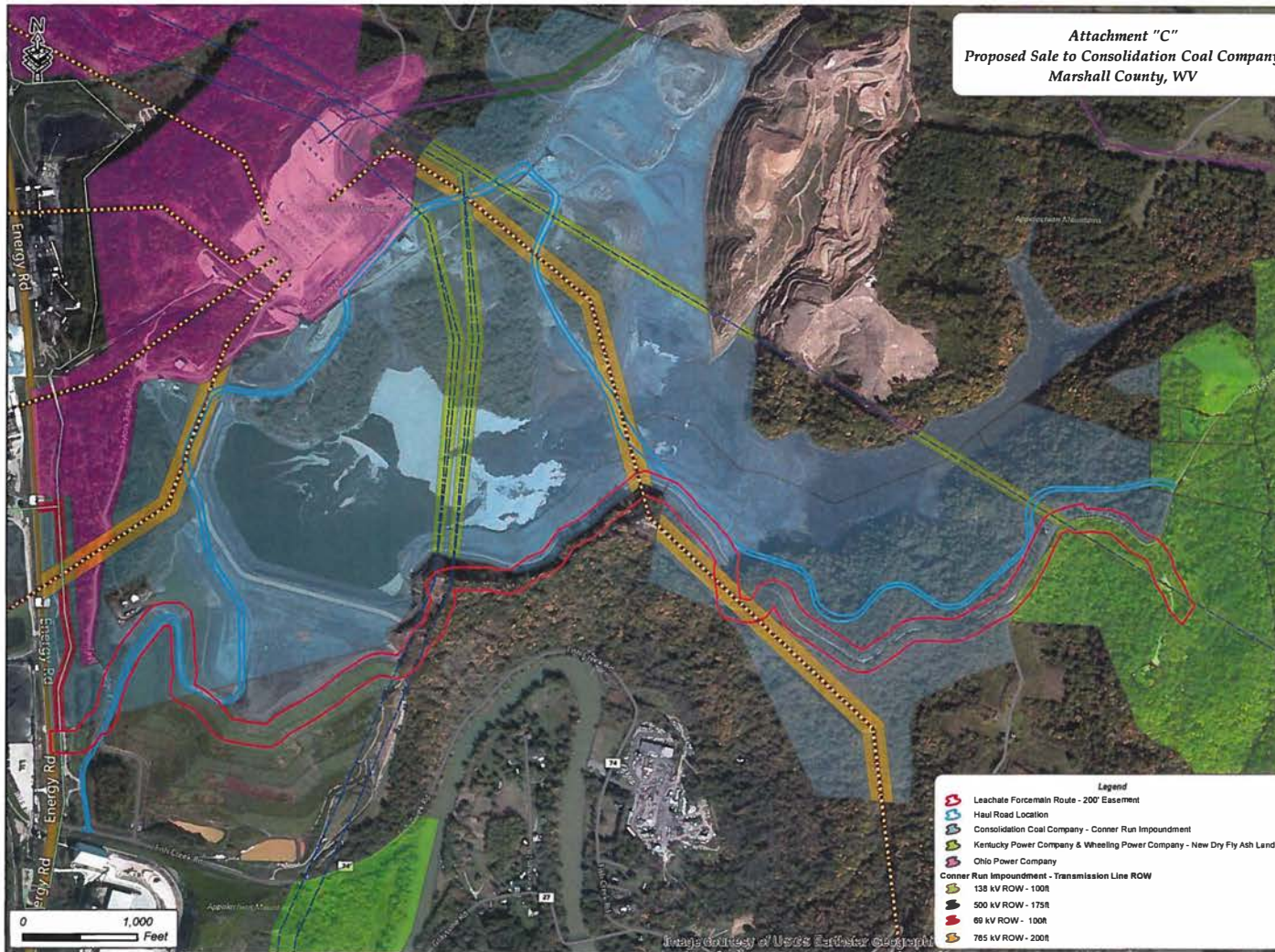
The prior Grantors, Timothy L. McGinnis, Sr. and Linda S. McGinnis agreed that neither they nor their successors or assigns shall be entitled to ever use any portion of the surface of the property for purposes of investigating, exploring, prospecting, drilling, or mining for or producing oil, gas or other minerals or any related activities. Any such operations on contiguous land shall in no manner interfere with the surface of the property or subsurface support of any improvement constructed or to be constructed on the property.

Being the same property conveyed to Franklin Real Estate by Timothy L. McGinnis, Sr. and Linda S. McGinnis, and recorded in Book 728, Page 36, Marshall County Deed Records.

Auditor's Tax Parcel No.: 25-05- 5-0003-0001

ATTACHMENT B

ATTACHMENT C



Date Created: 6/26/2015

Disclaimer: This drawing is not an actual survey.

Cartography: Shaen Somerlot, AEP Land Management Dep

RATE SCHEDULE No. 300

POWER COORDINATION AGREEMENT

among

**APPALACHIAN POWER COMPANY,
INDIANA MICHIGAN POWER COMPANY,
KENTUCKY POWER COMPANY,
WHEELING POWER COMPANY**

and

AMERICAN ELECTRIC POWER SERVICE CORPORATION

as Agent

Tariff Submitter: **Appalachian Power Company**
FERC Program Name: **FERC FPA Electric Tariff**
Tariff Title: **APCo Rate Schedules and Service Agreements Tariffs**
Tariff Proposed Effective Date: **06/01/2015**
Tariff Record Title: **Power Coordination Agreement**
Option Code: **A**
Record Content Description: **Rate Schedule No. 300**

POWER COORDINATION AGREEMENT

THIS AGREEMENT is made and entered into as of this ___ day of _____, 2015, by and among Appalachian Power Company (“APCo”), Indiana Michigan Power Company (“I&M”), Kentucky Power Company (“KPCo”), Wheeling Power Company (“WPCo”) and American Electric Power Service Corporation (“AEPSC”) as agent (“Agent”) to APCo, I&M, KPCo and WPCo.

RECITALS:

WHEREAS, APCo, I&M, KPCo and WPCo (collectively the “Operating Companies” or individually “Operating Company”) own and operate electric generation, transmission and distribution facilities with which they are engaged in the business of generating, transmitting and selling electric power to the general public and to other electric utilities;

WHEREAS, the Operating Companies' electric facilities are now and have been for many years interconnected through their respective transmission facilities and transmission facilities of third parties at a number of points;

WHEREAS, APCo, I&M, KPCo and WPCo provide power to serve retail and wholesale customers in Indiana, Kentucky, Michigan, Tennessee, Virginia and West Virginia;

WHEREAS, APCo, I&M, KPCo and WPCo believe that they can continue to achieve efficiencies and economic benefits through (a) participation in the organized power markets of a regional transmission organization and (b) allocation of off-system sales and purchases with other parties on bases that fairly assign or allocate the costs and benefits of these transactions;

WHEREAS, the achievement of the foregoing will be facilitated by the performance of certain services by an Agent;

WHEREAS, AEPSC is the service company affiliate of APCo, I&M, KPCo and WPCo and as such performs a variety of services on their behalf in accordance with applicable rules and regulations of the Federal Energy Regulatory Commission (“Commission”); and

WHEREAS, AEPSC is willing to serve as Agent to APCo, I&M, KPCo and WPCo under this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the Parties mutually agree as follows:

ARTICLE I DEFINITIONS

1.1 Agreement means this Power Coordination Agreement among APCo, I&M, KPCo, WPCo and Agent, including all Service Schedules and attachments hereto.

1.2 Capacity Auction means auctions implemented pursuant to a Capacity Market, and may include, but is not necessarily limited to, the Base Residual Auction and other incremental auctions conducted in accordance with the PJM Interconnection, LLC (“PJM”) Reliability Pricing Model market rules.

1.3 Capacity Market means any market of an applicable regional transmission organization under which the Operating Companies satisfy their capacity obligations as load serving entities, which would include, for example, the PJM capacity market as described in the PJM Reliability Assurance Agreement (“RAA”) and Attachment DD of the PJM Open Access Transmission Tariff (“PJM OATT”).

1.4 Dedicated Wholesale Customer means a wholesale customer whose load is served by an Operating Company that has undertaken, by contract, an obligation to serve that customer's partial or full requirements load and to acquire power supply resources and other resources necessary to meet those requirements.

1.5 Generation Hedge Transactions means Off-System Transactions entered into for the purpose of hedging the output of the generation assets of one or more of the Operating Companies.

1.6 Industry Standards means all applicable national and regional electric reliability council and regional transmission organization principles, guides, criteria, standards and practices.

1.7 Internal Load means all sales of power, plus associated line losses, by an Operating Company to its Retail Customers and Dedicated Wholesale Customers. As distinguished from Off-System Sales, Internal Load is principally characterized by the Operating Company assuming the load obligation as its own power commitment.

1.8 Off-System Sales means all wholesale power sales by an Operating Company other than sales to the Retail Customers and Dedicated Wholesale Customers that comprise the Operating Company's Internal Load. Sales of wholesale power by an Operating Company to another Operating Company are not governed by this Agreement, and will not be deemed Off-System Sales under this Agreement.

1.9 Off-System Purchases means wholesale power purchases by an Operating Company or Operating Companies for any of the following reasons: (a) to reduce power supply costs, (b) to serve load requirements, (c) to provide reliability of supply, (d) to satisfy state specific requirements or goals or (e) to engage in Off-System Sales. Purchases of wholesale power by an Operating Company from another Operating Company are not governed by this Agreement, and will not be deemed Off-System Purchases under this Agreement.

1.10 Off-System Transactions means Off-System Sales, Off-System Purchases and any other types of power-related wholesale transactions, whether physical or financial, on behalf of an Operating Company or Operating Companies, excluding sales to Internal Load customers.

1.11 Operating Committee means the administrative body established pursuant to Article VI for the purposes specified within this Agreement.

1.12 Party means each of APCo, I&M, KPCo, WPCo and Agent, individually, and **Parties** means APCo, I&M, KPCo, WPCo and Agent, collectively.

1.13 Retail Customer means a retail power customer on whose behalf an Operating Company has undertaken an obligation to obtain power supply resources in order to supply electricity to reliably meet the electric needs of that customer.

1.14 Service Schedules means the Service Schedules attached to this Agreement, as they may be amended from time to time, and those that later may be agreed to by the Parties and made part of a modified Agreement.

1.15 Spot Market means the day ahead, real time (balancing) or similar short-term energy market(s) operated by the applicable regional transmission organization(s), typically characterized by energy that is selected and delivered on an hourly, or more frequent, basis during that same day or the next calendar day.

1.16 System Emergency means a condition which, if not promptly corrected, threatens to cause imminent harm to persons or property, including the equipment of a Party or a Third Party, or threatens the reliability of electric service provided by an Operating Company to Retail Customers or Dedicated Wholesale Customers.

1.17 Third Party or Third Parties means any entity or entities that are not a Party or Parties.

1.18 Trading Transactions means Off-System Transactions that are not Generation Hedge Transactions or otherwise sourced or hedged from, dedicated to, or associated with the generation assets or Internal Load of the Operating Companies.

ARTICLE II TERM OF AGREEMENT

2.1 Term and Withdrawal. Subject to Commission approval or acceptance for filing, this Agreement shall take effect on June 1, 2015, or such other date permitted by the Commission, and shall continue in full force and effect until (a) terminated by mutual agreement or (b) upon no less than twelve (12) months' written notice by one Party to each of the other Parties, after which time the notifying Party will be withdrawn from the Agreement and the Agreement will continue in full force and effect for the remaining Parties except for such modifications necessary to remove the withdrawn Party.

ARTICLE III [INTENTIONALLY OMITTED]

ARTICLE IV SCOPE AND RELATIONSHIP TO OTHER AGREEMENTS AND SERVICES

4.1 Scope. This Agreement is not intended to preclude the Parties from entering into other arrangements between or among themselves or with Third Parties. This Agreement is intended to operate in addition to, not in lieu of, power market transactions and settlements that occur between each Operating Company, or the Operating Companies collectively, and any applicable regional transmission organizations.

4.2 Transmission. This Agreement is intended to apply to the coordination of the power supply resources of, and loads served by, the Operating Companies. It is not intended to

apply to the coordination of transmission facilities owned or operated by the Operating Companies.

ARTICLE V AGENT

5.1 Agent. The Agent will perform the activities and duties specified by this Agreement and any other activities or duties pertaining to this Agreement that may be requested from time to time by one or more Operating Companies, subject to the receipt of any necessary regulatory approvals. The Operating Companies delegate to AEPSC, as the Agent, and AEPSC hereby accepts responsibility and authority for the duties specified in this Agreement and shall perform each of those duties under the direction of the Operating Companies. With the prior written consent of the Operating Companies, AEPSC may delegate all or a part of its responsibilities under this Agreement to another entity.

ARTICLE VI COMPOSITION AND DUTIES OF THE OPERATING COMMITTEE

6.1 Operating Committee. By written notice to the other Parties, each Party shall name one representative (“Representative”) to act for it in matters pertaining to this Agreement and its implementation. A Party may change its Representative at any time by written notice to the other Parties. The Representatives of the respective Parties shall comprise the Operating Committee. The Agent’s Representative shall act as the chairman of the Operating Committee (“Chairman”). All decisions of the Operating Committee shall be by a simple majority vote of the Representatives. There shall be only five voting representatives on the Operating Committee. No Party may delegate its vote to another entity.

6.2 Meeting Dates. The Operating Committee shall hold meetings at such times, means, and places as the members shall determine. Minutes of each Operating Committee meeting shall be prepared and maintained.

6.3 Duties. The Operating Committee shall have the duties listed below:

- (a) reviewing and providing direction concerning the equitable sharing of costs and benefits under this Agreement among the Operating Companies;
- (b) administering this Agreement and proposing amendments hereto, including such amendments that are proposed in response to a change in regulatory requirements applicable to one or more of the Operating Companies or changes concerning an applicable regional transmission organization, provided that any amendments will be subject to Section 13.2; and
- (c) reviewing and, if necessary, proposing changes to the duties and responsibilities of the Agent, subject to Section 5.1.

In the event that an action of the Operating Committee results in a change to the settlement process(es) among the Operating Companies, such modified settlement will normally occur on a prospective basis only, however, this may include past billing periods back to the beginning of the first full billing month preceding the date of action of the Operating Committee. Such modifications will be subject to the terms of Article IX as applicable.

ARTICLE VII OPERATING COMPANY PLANNING AND OPERATIONS

7.1 Operating Company and System Planning. Each Operating Company will be individually responsible for its own capacity planning. Consistent with the requirements of PJM or the applicable regional transmission or reliability organization, each Operating Company will be responsible for maintaining an adequate level of power supply resources to meet its own

Internal Load requirements for capacity and energy, including any required reserve margins, and shall bear all of the resulting costs. The Agent shall assess the adequacy of the power supply resources of the Operating Companies and make recommendations to each Operating Company regarding (1) the need for additional power supply resources and (2) whether each Operating Company has power supply resources in excess of its needs (short-term or long-term) that could be made available to the other Operating Companies or Third Parties either through separate contracts or through the power markets of the applicable regional transmission organization. The actual addition or disposition of power supply resources will be conditioned on compliance with all applicable state and other regulatory requirements and requirements of the applicable regional transmission organization.

7.2 Generation Resource Outage Planning. The Agent, on behalf of the Operating Companies, will coordinate the scheduling of planned generation resource outages in order to support reliability and manage costs.

7.3 Generation Resource Dispatch. The generation resources of each of the Operating Companies will be individually dispatched by the Agent in accordance with the direction of the applicable regional transmission organization.

7.4 Regional Transmission Organization Transactions. The Agent will administer the participation of the Operating Companies in the power markets of the applicable regional transmission organization. Each Operating Company shall be individually responsible for charges it incurs and credits it receives due to its participation in the power markets of a regional transmission organization. Such costs and revenues will be assigned or allocated directly by the applicable regional transmission organization or its agent where practical. The Operating Companies may collectively participate from time to time in specific markets of the regional

transmission organization or to meet certain regional transmission or reliability organization requirements, in which case the allocation of resulting revenues and/or costs, if any, will be performed as specified herein. The election of whether each Operating Company's load and generation resources will participate in the Capacity Market of PJM through the Reliability Pricing Model auctions or through the Fixed Resource Requirement alternative, either collectively or individually, for any planning year is not governed by this Agreement.

7.5 Off System Transactions. The Agent will engage in Off-System Transactions on behalf of or at the direction of the Operating Companies and will assign or allocate the costs and revenues of Off-System Transactions to the Operating Companies in the manner specified below.

7.5.1 Capacity Purchases and Sales with Third Parties. Except as described in Section 7.5.2 related to the PJM Capacity Auctions: (1) Off-System Transactions of capacity undertaken for an individual Operating Company will be directly assigned to that Operating Company; (2) Off-System Purchases of capacity undertaken for more than one Operating Company will be allocated among those Operating Companies ratably in proportion to the total capacity needed by each Operating Company minus each Operating Company's total capacity resources; and (3) Off-System Sales of capacity undertaken for more than one Operating Company will be allocated among those Operating Companies ratably in proportion to the total capacity resources of each Operating Company minus the total capacity obligation of each Operating Company (including any holdback required by the applicable regional transmission organization).

7.5.2 Capacity Purchases and Sales in the PJM Capacity Auctions And Related Issues. When an Operating Company participates individually in the Reliability Pricing Model or the Fixed Resource Requirement alternative, Off-System Transactions

of capacity related to a PJM Capacity Auction will be directly assigned to the specific Operating Company based on the results of such auctions.

When two or more Operating Companies collectively participate in the Fixed Resource Requirement alternative, any Off-System Transactions of capacity related to a PJM Capacity Auction will be allocated to each participating Operating Company ratably in proportion to the total capacity resources of each Operating Company minus the total capacity obligation of each Operating Company (including any holdback required by PJM) for the applicable planning year(s), and Service Schedule A will apply to delivery year and post-delivery year obligations of the participating Operating Companies associated with the Fixed Resource Requirement alternative.

7.5.3 Directly Assigned Energy Purchases and Sales with Third Parties.

Off-System Transactions of energy will be directly assigned to the applicable Operating Company. Costs and revenues associated with each Operating Company's Off-System Sales of energy and Internal Load energy purchases from the applicable regional transmission organization in the Spot Market, including the purchase of any energy deficits or sales of any energy surpluses, will be directly assigned to that Operating Company.

7.5.4 Generation Hedge Transactions and Trading Transactions. Revenues and costs associated with Generation Hedge Transactions, including revenues and costs associated with the settlement of Generation Hedge Transactions in the Spot Market or other markets of the applicable regional transmission organization, will be allocated among the Operating Companies by the Agent as specified under Service Schedule B.

Revenues and costs associated with Trading Transactions, including revenues and costs associated with the settlement of Trading Transactions in the Spot Market or other markets of the applicable regional transmission organization, will be allocated among the Operating Companies by the Agent as specified under Service Schedule C.

7.6 Emergency Response. In the event of a System Emergency, no adverse distinction shall be made between the customers of any of the Operating Companies. Each Operating Company shall, under the direction of the applicable regional transmission organization, make its power supply resources available in response to a System Emergency. Notwithstanding the foregoing, it is understood that transmission constraints or other factors may limit the ability of an Operating Company to respond to a System Emergency.

**ARTICLE VIII
ASSIGNMENT OF COSTS AND BENEFITS
OF COORDINATED OPERATIONS**

8.1 Service Schedules. The costs and revenues associated with coordinated operations as described in Article VII shall be distributed among the Operating Companies in the manner provided in the Service Schedules utilizing the billing procedures described in Article IX. It is understood and agreed that all such Service Schedules are intended to establish an equitable sharing of costs and/or benefits among the Operating Companies, and that circumstances may, from time to time, require a reassessment of the relative costs and benefits of this Agreement, or of the methods used to apportion costs and benefits under the Service Schedules. Upon a proposal of the Operating Committee, any of the Service Schedules may be amended as of any date agreed to by the Operating Committee by majority vote, subject to Section 13.2.

ARTICLE IX BILLING PROCEDURES

9.1 Records. The Agent shall maintain such records as may be necessary to determine the assignment of costs and revenues of coordinated operations pursuant to this Agreement. Such records shall be made available to the Parties upon request for a period not to exceed three (3) years.

9.2 Monthly Net Billing Statements. As promptly as practicable after the end of each calendar month, the Agent shall prepare a statement setting forth the monthly summary of costs and revenues allocated or assigned to the Operating Companies in sufficient detail as may be needed for settlements under the provisions of this Agreement. As required, the Agent may provide such statements on an estimated basis and then adjust those statements for actual results.

9.3 Billings and Payments. The Agent shall be responsible for all billing between the Operating Companies and other entities with which they engage in Off-System Transactions pursuant to this Agreement. Payments among the Operating Companies, if any, shall be made by remittance of the net amount billed or by making appropriate accounting entries on the books of the Parties. The entire amount shall be paid when due.

9.4 Taxes. Should any federal, state, or local tax, surcharge or similar assessment, in addition to those that may now exist, be levied upon the electric capacity, energy, or services to be provided in connection with this Agreement, or upon the provider of service as measured by the electric capacity, energy, or services, or the revenue there from, such additional amount shall be included in the net billing described in Section 9.3.

9.5 Undelivered and Unpaid Monthly Billing Statements. Within one (1) year from the date on which a billing statement should have been delivered, if a Party's records reveal that the bill was not delivered, then the Agent shall deliver to the appropriate Party a bill within

one (1) month of this determination. Any amounts collected or reimbursed due to such delay shall not include interest.

9.6 Billing Errors and Disputes. If a Party discovers a billing error pertaining to a prior billing for reasons including, but not limited to, missing or erroneous data or calculations, including those caused by meter, computer or human error, a correction adjustment will be calculated through the second full month preceding discovery of the error. The Parties shall have the right to dispute the accuracy of any bill or payment for a period not to exceed two months from the date on which the bill or, if applicable, the corrected bill was initially delivered. Following this two-month period, the right to dispute a bill is permanently waived for any and all reasons including but not limited to, (a) errors, (b) omissions, (c) Agent's actions, and (d) the Operating Committee's decisions, Agreement interpretations and direction in the administration of the Agreement. Any amounts collected or reimbursed due to such disputes shall not include interest.

ARTICLE X FORCE MAJEURE

10.1 Events Excusing Performance. No Party shall be liable to another Party for or on account of any loss, damage, injury, or expense resulting from or arising out of a delay or failure to perform, either in whole or in part, any of the agreements, covenants, or obligations made by or imposed upon the Parties by this Agreement, by reason of or through strike, work stoppage of labor, failure of contractors or suppliers of materials (including fuel, consumables or other goods and services), failure of equipment, environmental restrictions, riot, fire, flood, ice, invasion, civil war, commotion, insurrection, military or usurped power, order of any court or regulatory agency granted in any *bona fide* legal proceedings or action, or of any civil or military

authority either *de facto* or *de jure*, explosion, Act of God or the public enemies, or any other cause reasonably beyond its control and not attributable to its neglect. A Party experiencing such a delay or failure to perform shall use due diligence to remove the cause or causes thereof; however, no Party shall be required to add to, modify or upgrade any facilities, or to settle a strike or labor dispute except when, according to its own best judgment, such action is advisable.

ARTICLE XI DELIVERY POINTS

11.1 Delivery Points. All electric energy delivered under this Agreement shall be of the character commonly known as three-phase sixty-cycle energy, and shall be delivered at the various points where the transmission systems of the Operating Companies are interconnected, either directly or through transmission facilities of third parties, at the nominal unregulated voltage designated for such points, and at such other points and voltages as may be determined and agreed upon by the Operating Companies.

ARTICLE XII GENERAL

12.1 Adherence to Industry Standards. The Parties agree to make their best efforts to conform to Industry Standards as they affect the implementation of and conduct pertaining to this Agreement.

12.2 No Third Party Beneficiaries. This Agreement does not create rights of any character whatsoever in favor of any person, corporation, association, entity or power supplier, other than the Parties, and the obligations herein assumed by the Parties are solely for the use and benefit of the Parties. Nothing in this Agreement shall be construed as permitting or vesting, or attempting to permit or vest, in any person, corporation, association, entity or power supplier,

other than the Parties, any rights hereunder or in any of the resources or facilities owned or controlled by the Parties or the use thereof.

12.3 Waivers. Any waiver at any time by a Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or matter. Any delay, short of the statutory period of limitation, in asserting or enforcing any right under this Agreement, shall not be deemed a waiver of such right.

12.4 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties only, and their respective successors and assigns, and shall not be assignable by any Party without the written consent of the other Parties except to a successor in the operation of its properties by reason of a reorganization to comply with state or federal restructuring requirements, or a merger, consolidation, sale or foreclosure whereby substantially all such properties are acquired by or merged with those of such a successor.

12.5 Liability and Indemnification. SUBJECT TO ANY APPLICABLE STATE OR FEDERAL LAW THAT MAY SPECIFICALLY RESTRICT LIMITATIONS ON LIABILITY, EACH PARTY (AN "INDEMNIFYING PARTY") SHALL RELEASE, INDEMNIFY, AND HOLD HARMLESS THE OTHER PARTIES (EACH AN "INDEMNIFIED PARTY"), THEIR DIRECTORS, OFFICERS AND EMPLOYEES FROM AND AGAINST ANY AND ALL LIABILITY FOR LOSS, DAMAGE OR EXPENSE (1) ALLEGED TO ARISE FROM, OR BE INCIDENTAL TO, INJURY TO PERSONS AND/OR DAMAGE TO PROPERTY IN CONNECTION WITH THE INDEMNIFYING PARTY'S FACILITIES OR THE PRODUCTION OR TRANSMISSION OF ELECTRIC ENERGY BY OR THROUGH THE INDEMNIFYING PARTY'S FACILITIES OR (2) RELATED TO PERFORMANCE OR NON-

PERFORMANCE OF THIS AGREEMENT OR (3) RELATED TO ANY NEGLIGENCE ARISING UNDER THIS AGREEMENT. IN NO EVENT SHALL ANY PARTY BE LIABLE TO ANOTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES WITH RESPECT TO ANY CLAIM ARISING OUT OF THIS AGREEMENT.

12.6 Headings. The descriptive headings of the Articles, Sections and Service Schedules of this Agreement are used for convenience only, and shall not modify or restrict any of the terms and provisions thereof.

12.7 Notice. Any notice or demand for performance required or permitted under any of the provisions of this Agreement shall be deemed to have been given on the date such notice, in writing, is deposited in the U.S. mail, postage prepaid, certified or registered mail, addressed to the Parties at their principal place of business at 1 Riverside Plaza, Columbus, Ohio 43215, or in such other form or to such other address as the Parties may stipulate.

12.8 Interpretation. In this Agreement: (a) unless otherwise specified, references to any Article or Section are references to such Article or Section of this Agreement; (b) the singular includes the plural and the plural includes the singular; (c) unless otherwise specified, each reference to a requirement of any governmental entity or regional transmission organization includes all provisions amending, modifying, supplementing or replacing such governmental entity or regional transmission organization from time to time; (d) the words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation”; (e) unless otherwise specified, each reference to any tariff or agreement includes all amendments, modifications, supplements, and restatements made to such tariff or agreement from time to time which are not prohibited by this Agreement; (f) the descriptive headings of the various Articles

and Sections of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict the terms and provisions thereof; and (g) “herein,” “hereof,” “hereto” and “hereunder” and similar terms refer to this Agreement as a whole.

ARTICLE XIII REGULATORY APPROVAL

13.1 Regulatory Authorization. This Agreement is subject to and conditioned upon its approval or acceptance for filing without material condition or modification by the Commission. In the event that this Agreement is not so approved or accepted for filing in its entirety or without conditions or modifications unacceptable to any Party, or the Commission subsequently modifies this Agreement upon complaint or upon its own initiative (as provided for in Section 13.2), any Party may, irrespective of the notice provisions in Section 2.1, withdraw from this Agreement by giving thirty (30) days’ advance written notice to the other Parties.

13.2 Changes. It is contemplated by the Parties that it may be appropriate from time to time to change, amend, modify, or supplement this Agreement, including the Service Schedules and any other attachments that may be made a part of this Agreement, to reflect changes in operating practices or costs of operations or for other reasons. Any such changes to this Agreement shall be in writing executed by the Parties and subject to approval or acceptance for filing by the Commission.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their duly authorized officers on the day and year first above written.

APPALACHIAN POWER COMPANY

By: Charles Patton

Title: President & COO

INDIANA MICHIGAN POWER COMPANY

By: _____

Title: _____

KENTUCKY POWER COMPANY

By: _____

Title: _____

WHEELING POWER COMPANY

By: Charles Patton

Title: President & COO

AMERICAN ELECTRIC POWER SERVICE CORPORATION

By: _____

Title: _____

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their duly authorized officers on the day and year first above written.

APPALACHIAN POWER COMPANY

By: _____

Title: _____

INDIANA MICHIGAN POWER COMPANY

By: John Calabrese

Title: President + COO

KENTUCKY POWER COMPANY

By: _____

Title: _____

WHEELING POWER COMPANY

By: _____

Title: _____

AMERICAN ELECTRIC POWER SERVICE CORPORATION

By: _____

Title: _____

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their duly authorized officers on the day and year first above written.

APPALACHIAN POWER COMPANY

By: _____

Title: _____

INDIANA MICHIGAN POWER COMPANY

By: _____

Title: _____

KENTUCKY POWER COMPANY

By: *Bryce B. Paul*

Title: *President + COO*

WHEELING POWER COMPANY

By: _____

Title: _____

AMERICAN ELECTRIC POWER SERVICE CORPORATION

By: _____

Title: _____

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their duly authorized officers on the day and year first above written.

APPALACHIAN POWER COMPANY

By: _____

Title: _____

INDIANA MICHIGAN POWER COMPANY

By: _____

Title: _____

KENTUCKY POWER COMPANY

By: _____

Title: _____

WHEELING POWER COMPANY

By: _____

Title: _____

AMERICAN ELECTRIC POWER SERVICE CORPORATION

By: Garland E. Manganelli

Title: SVP Regulatory Svcs.

**SERVICE SCHEDULE A
COLLECTIVE PARTICIPATION IN THE
FIXED RESOURCE REQUIREMENT ALTERNATIVE**

A1– Duration. This Service Schedule A shall become effective and binding when the Agreement of which it is a part becomes effective, and shall continue in full force and effect throughout the duration of the Agreement unless terminated or suspended.

A2 – Availability of Service. This Service Schedule A governs the administration and settlement of capacity during such times that multiple Operating Companies are participating, on a collective basis, in the Fixed Resource Requirement alternative.

A3 – Delivery Year and Post-Delivery Year Settlement. During a given PJM planning year (i.e., the delivery year), the Agent will manage the capacity resources needed to meet the combined Operating Companies' capacity obligations and commitments to PJM.

If capacity resource performance charges are assessed by PJM for a given delivery year, the total net charge will be allocated among the Operating Companies ratably in proportion to each Operating Company's contribution to the total charge, taking into account the effect of collective participation of the Operating Companies in the Fixed Resource Requirement alternative. Each Operating Company's contribution to the total net charge will be determined by the Agent by computing a total MW position for each Operating Company by subtracting its total capacity obligation in MWs from its total capacity resources in MWs. This result will be further adjusted by adding or subtracting as applicable the net total MWs of actual under-performance or over-performance of each Operating Company's capacity resources during the delivery year as computed by PJM. Any Operating Company with a resulting net short MW position, meaning that its capacity obligation MWs are greater than its capacity resource MWs including any MWs of over-performance or under-performance, will be allocated a share of the

total net performance charge from PJM based on the Operating Company's net short MW position. Any performance charge not allocated as set forth above will be directly assigned to the Operating Company that caused the performance charge.

SERVICE SCHEDULE B GENERATION HEDGE TRANSACTIONS

B1 – Duration. This Service Schedule B shall become effective and binding when the Agreement of which it is a part becomes effective, and shall continue in full force and effect throughout the duration of the Agreement unless terminated or suspended.

B2 – Service. This Service Schedule B governs energy-related Off-System Transactions made pursuant to Section 7.5.4 of the Agreement that are associated with Generation Hedge Transactions as defined in Section 1.5. The total monthly net costs and revenues from the settlement of Generation Hedge Transactions will be allocated among the Operating Companies ratably in proportion to the total of each Operating Company's surplus MWhs for the month, as determined by the Agent. Surplus MWhs will be computed as the total of all MWs in hours in which an Operating Company's MW output of its generation assets and energy purchases exceeded that Operating Company's Internal Load.

If the above allocation would result in any Operating Company being allocated revenues or costs associated with more than one hundred and fifteen percent (115%) of its monthly surplus MWhs as computed above, such excess(es) above that amount will be allocated to all of the Operating Companies ratably in proportion to the sum of each Operating Company's hourly MW output of its generation assets for the month.

SERVICE SCHEDULE C TRADING TRANSACTIONS

C1 – Duration. This Service Schedule C shall become effective and binding when the Agreement of which it is a part becomes effective, and shall continue in full force and effect throughout the duration of the Agreement unless terminated or suspended.

C2 – Service. This Service Schedule C governs the financial allocation and settlement of Off-System Transactions made pursuant to Section 7.5.4 of the Agreement that are associated with Trading Transactions as defined in Section 1.18. All Trading Transactions settled for a given month will be allocated among the Operating Companies ratably in proportion to each Operating Company's total common shareholder equity balance. The total common shareholder equity balance for each Operating Company as of the end of the previous calendar year will be as stated in the FERC Form 1, currently page 112 (Total Proprietary Capital). These balances will then be applied to allocate settled Trading Transactions among the Operating Companies during the subsequent twelve-month period beginning June 1 and ending May 31.

Net Capacity Factor (%)

| | Mitchell Unit 1 | Mitchell Unt 2 |
|----------------|-----------------|----------------|
| April 2019 | 0.00 | 31.53 |
| May 2019 | 0.00 | 63.31 |
| June 2019 | 34.69 | 32.32 |
| July 2019 | 53.32 | 48.54 |
| August 2019 | 49.54 | 48.05 |
| September 2019 | 24.35 | 65.02 |
| Ocotber 2019 | 67.79 | 5.93 |
| November 2019 | 52.33 | 0.00 |
| December 2019 | 0.00 | 13.28 |
| January 2020 | 11.36 | 29.88 |
| February 2020 | 47.79 | 55.07 |
| March 2020 | 30.48 | 33.68 |

VERIFICATION

The undersigned, Stephen D. Blankenship, being duly sworn, deposes and says he is a Region Support Manager for Kentucky Power Company that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief after reasonable inquiry.



Stephen D. Blankenship

COMMONWEALTH OF KENTUCKY


)

) Case No. 2020-00174

COUNTY OF BOYD

)

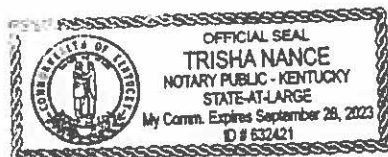
Subscribed and sworn to before me, a Notary Public in and before said County and State, by Stephen D. Blankenship, this 24th day of August 2020.



Notary Public

Notary ID Number: 632421

My Commission Expires: 9-26-2023





KY Discovery Verification - Osborne.docx

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E-Signature Summary

E-Signature 1: Debra L Osborne (DLO)

August 21, 2020 08:01:57 -8:00 [AA5081A8F4D7] [161.235.2.88]
dlosborne@aep.com (Principal) (Personally Known)

E-Signature Notary: Sarah Smithhisler (SRS)

August 21, 2020 08:01:57 -8:00 [CDBC054FA64E] [167.239.221.85]
srsmithhisler@aep.com

I, Sarah Smithhisler, did witness the participants named above electronically sign this document.



VERIFICATION

The undersigned, Debra Osborne, being duly sworn, deposes and says she is Vice President of Generating Assets for Kentucky Power Company that she has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of her information, knowledge and belief after reasonable inquiry.

Debra L. Osborne
Signed on 2020/08/21 08:01:57 -8:00

Debra Osborne

STATE OF OHIO

)

) Case No. 2020-00174

COUNTY OF FRANKLIN

)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Debra Osborne, this 21st day of August 2020.

S. Smithhisler
Signed on 2020/08/21 08:01:57 -8:00

Notary Public

Notary ID Number: 2019-RE-775042

My Commission Expires: April 29, 2024



18A7C8F9-4889-48CE-9022-2A7302B09C29 --- 2020/08/20 14:59:23 -8:00 --- Remote Notary





KY Discovery Verification - Vaughan.docx

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E-Signature Summary

E-Signature 1: Alex E Vaughan (AEV)

August 24, 2020 08:19:44 -8:00 [B694FB97B8BA] [167.239.221.80]
aevaughan@aep.com (Principal) (Personally Known)

E-Signature Notary: Sarah Smithhisler (SRS)

August 24, 2020 08:19:44 -8:00 [534F5390061F] [167.239.2.87]
srsmithhisler@aep.com

I, Sarah Smithhisler, did witness the participants named above electronically sign this document.



VERIFICATION

The undersigned, Alex E. Vaughan, being duly sworn, deposes and says he is a Director-Regulatory Pricing & Renewables for American Electric Power Service Corporation that he has personal knowledge of the matters set forth in the forgoing responses and the information contained therein is true and correct to the best of his information, knowledge and belief after reasonable inquiry.

Alex E Vaughan
Signed on 2020/08/24 08:19:44 -8:00

Alex E. Vaughan

STATE OF OHIO

)

) Case No. 2020-00174

COUNTY OF FRANKLIN

)

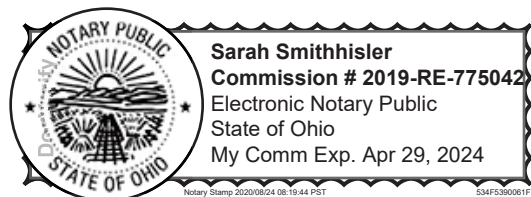
Subscribed and sworn to before me, a Notary Public in and before said County and State, by Alex E. Vaughan this 24th day of August 2020.

S. Smithhisler
Signed on 2020/08/24 08:19:44 -8:00

Notary Public

Notary ID Number: 2019-RE-775042

My Commission Expires: April 29, 2024



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