



**American Electric Power Service Corporation
as agent for
Public Service Company of Oklahoma
and
Southwestern Electric Power Company**

**Request for Proposals for
Capacity Purchase Agreements (CPAs)**

from

Qualified Bidders of
SPP Accredited Deliverable Capacity
(Annual or Seasonal)

The Resources requested in this RFP will be contracted via Capacity Purchase Agreements (CPA)

RFP Issued: November 17, 2025
Proposals Due: December 5, 2025

RFP Web Addresses:

www.swepco.com/rfp

www.pso.com/rfp

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1. Background

- 1.1 Public Service Company of Oklahoma and Southwestern Electric Power Company (“PSO”, “SWEPCO” or “Companies”) are pursuing additional capacity resources via this Request for Proposal (“RFP”).

The Companies have identified the need for additional resources to serve the future capacity needs of its customers and to maintain compliance with the Southwest Power Pool (“SPP”) Planning Reserve Margin (“PRM”) requirement.

American Electric Power Service Corporation (“AEPSC”), PSO and SWEPCO are subsidiaries of American Electric Power Company, Inc. (“AEP”).

All questions regarding this RFP should be emailed to:
SPPCapacityRFP2025@aep.com.

2. Product Description and Requirements

- 2.1. Product: The Companies are seeking purchases of electric capacity from generating resources that are already in service (operational) within the SPP region that will enable the Companies to satisfy load and planning reserve obligations. The generating resource must have accredited capacity that satisfies the qualifications for Deliverable Capacity in Attachment AA of the SPP Open Access Transmission Tariff. Additionally, Bidders must have 100% ownership of the asset or have documented authority to offer the asset into the RFP.
- 2.2. Proposal: The Proposal should be in the form of agreement shown in Appendix D and Bidder must clearly identify any exceptions to the form of agreement in Appendix D.
- 2.3. Resource Location: AEPSC will consider electric generation resources connected to the SPP transmission system and prefers locations near the Companies’ load zone in Arkansas, Louisiana, Oklahoma or Texas. Capacity from resources outside of SPP must have firm transmission to SPP and be registered in the SPP Integrated Marketplace.
- 2.4. Delivery Term: The Resources requested in this RFP will be contracted via CPAs for purchase of unit deliverable capacity for Planning Years (PY) 2028, 2029, and 2030. Delivery Terms of annual capacity for one (1) year (minimum) to three (3) years (maximum) are required. Alternative terms may also be considered (e.g. seasonal).
- 2.5. Volume: Offers in the full amount or blocks of 10MWs or greater will be considered for up to 350 MW for PY 2028 and 600 MW for PY 2029 and PY 2030.
- 2.6. Delivery Start Date: Delivery of annual capacity will begin June 1, 2028, 2029, or 2030 depending on the Delivery Term proposed. As an example, a Bid for PY 2028 would begin on June 1, 2028 and end on May 31, 2029.

3. **Bid Price:**

- 3.1. Bidders shall specify in detail all pricing components related to the Base Proposal for the contract capacity, or for any Alternate Proposal(s) provided.
- 3.2. The Bid price must be a fixed price for the Delivery Term of the CPA.
- 3.3. Proposals that have material contingencies, such as financing and/or credit related issues, will not be considered.

4. **RFP Schedule & Proposal Submission:**

- 4.1. Schedule: The following schedule and deadlines apply to this RFP. AEPSC reserves the right to revise this schedule at any time and at AEPSC's sole discretion.

RFP Timeline	
RFP Issued	11/17/2025
Proposal Due Date	12/05/2025
Project Selection and Negotiation	12/17/2025
Execute Definitive Agreements	1/31/2026
Effective Date of Agreement	June 1 of 2028, 2029, or 2030

- 4.2. Proposals must be completed in all material respects and must be submitted electronically via email to SPPCapacityRFP2025@aep.com no later than 3:00 p.m. CT (4:00 p.m. ET) on the Proposal Due Date outlined in Section 4.1. Proposals should be as comprehensive as possible. The Companies reserve the right to solicit additional information from Bidders during the Proposal evaluation process.
- 4.3. The preparation and submission of all Proposals will be at the expense of Bidder.
- 4.4. Bidders are allowed to submit more than one mutually exclusive Proposal. AEPSC will review and evaluate the Proposals to identify the set that meets the capacity needs of the Companies and its customers.

5. **Proposal Content**

- 5.1. Proposal: The Proposal should be in the form of completed Appendices A, C, & D. Bidder must clearly identify any exceptions to the form of agreement in Appendix D.
- 5.2. Confidentiality: Bidders may request to sign a Confidentiality Agreement (CA) prior to proposal submission.

5.3. Credit Requirements:

- 5.3.1. AEPSC will evaluate the ability of Bidders to perform under the terms of their Proposals, by reviewing published credit ratings and performing its own internal credit analysis according to Appendix B. If Bidder wishes to provide a Corporate Guaranty, it must be in the form acceptable to AEPSC.
 - 5.3.2. If a prospective Bidder has an existing EEI Master Power Purchase and Sale Agreement ("EEI Agreement") with AEPSC/SWEPCO/PSO, those agreements will be considered as the basis for a contract under this RFP. Additional modifications and credit requirements, including an Independent Amount, may be required to conform to the credit and collateral requirements under this RFP. Margining under the EEI Agreement will not be considered.
 - 5.3.3. If a Bidder does not have an existing EEI Agreement with AEPSC/SWEPCO/PSO, or if such agreement exists, but does not include acceptable credit or other provisions, then an EEI Agreement will be negotiated.
- 5.4. Agreement Exceptions: Bidder shall include in its Proposal any exceptions to the draft Confirmation Letter (Appendix D). The terms in the draft Confirmation Letter are included merely to provide guidance to a Bidder in the preparation of their response. These commercial terms shall not be binding on AEPSC. The shortlisted Bidder and AEPSC will negotiate a mutually acceptable agreement to govern any commercial relationship established by the parties.

6. Proposal Evaluation

- 6.1. Eligibility and Threshold Requirements: If the Bidder does not qualify under any one of the Sections 6.1.1 – 6.1.6, the Bidder will not qualify for this RFP and will be notified accordingly.
- 6.1.1. The generating resource must have accredited capacity that satisfies the qualifications for Deliverable Capacity (See Appendix D; RFP §2.1)
 - 6.1.2. Bidders must have 100% ownership of the asset or have documented authority to offer the asset into the RFP. (see RFP §2.1)
 - 6.1.3. Proposals must designate a specific generating resource that is already in-service as of the bid due date (see RFP §2.1 & §4.1);
 - 6.1.4. The minimum capacity bid must be 10 MW (See RFP §2.1);
 - 6.1.5. Resources located outside of the SPP region must include firm transmission service to the SPP transmission system (See RFP §2.3).
 - 6.1.6. Bid price must be a fixed price for the Delivery Term of the CPA.
- 6.2. Bidders with Proposals meeting the requirements in Section 6.1 will move to the next phase of the evaluation process. The Proposal evaluation process will include an assessment of the Bid Price (Economic Analysis) and other additional benefits as

provided with the Proposal (Non-Price Analysis). The Non-Price Analysis will include an assessment of areas such as contract risks and benefits, locational benefits, likelihood of transmission availability, and resource diversity.

7. Confidentiality

AEPSC will take reasonable precautions and use reasonable efforts to maintain the confidentiality of all Proposals submitted. Bidders should clearly identify each page of information considered to be confidential or proprietary. AEPSC reserves the right to release any Proposals to its agents or consultants for purposes of Proposal evaluation. Regardless of the confidentiality, all such information may be subject to review by the appropriate state jurisdiction, or any other governmental authority or judicial body with jurisdiction relating to these matters and may be subject to legal discovery. Under such circumstances, AEPSC will make reasonable efforts to protect the Bidder's confidential information. AEPSC can provide a CA upon request.

8. Reservation of Rights

A Proposal will be deemed accepted only when the Companies and the successful Bidder have executed definitive agreements for the Companies' purchase of capacity. The Companies have no obligation to accept any Proposal, whether or not the stated price in such Proposal is the lowest price offered, and the Companies may reject any Proposal in its sole discretion and without any obligation to disclose the reason or reasons for rejection.

BY PARTICIPATING IN THE RFP PROCESS, EACH BIDDER AGREES THAT ANY AND ALL INFORMATION FURNISHED BY OR ON BEHALF OF THE COMPANIES IN CONNECTION WITH THE RFP IS PROVIDED WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE USEFULNESS, ACCURACY, OR COMPLETENESS OF SUCH INFORMATION, AND NEITHER THE COMPANIES NOR ITS AFFILIATES NOR ANY OF THEIR PERSONNEL OR REPRESENTATIVES SHALL HAVE ANY LIABILITY TO ANY BIDDER OR ITS PERSONNEL OR REPRESENTATIVES RELATING TO OR ARISING FROM THE USE OF OR RELIANCE UPON ANY SUCH INFORMATION OR ANY ERRORS OR OMISSIONS THEREIN.

The Companies reserve the right to modify or withdraw this RFP, to negotiate with any and all qualified Bidders to resolve any and all technical or contractual issues, or to reject any or all Proposals and to terminate negotiations with any Bidder at any time in its sole discretion. The Companies reserve the right, at any time and from time to time, without prior notice and without specifying any reason and, in its sole discretion, to (a) cancel, modify or withdraw this RFP, reject any and all Proposals, and terminate negotiations at any time during the RFP process; (b) discuss with a Bidder and its advisors the terms of any Proposal and obtain clarification from the Bidder and its advisors concerning the Proposal; (c) consider all Proposals to be the property of the Companies, subject to the provisions of this RFP relating to confidentiality and any confidentiality agreement executed in connection with this RFP, and destroy or archive any information or materials developed by or submitted to the Companies in this RFP; (d) request from a Bidder

information that is not explicitly detailed in this RFP, but which may be useful for evaluation of that Bidder's Proposal; (e) determine which Proposals to accept, favor, pursue or reject; (f) reject any Proposals that are not complete or contain irregularities, or waive irregularities in any Proposal that is submitted; (g) accept Proposals that do not provide the lowest evaluated cost; (h) determine which Bidders are allowed to participate in the RFP, including disqualifying a Bidder due to a change in the qualifications of the Bidder or in the event that the Companies determine that the Bidder's participation in the RFP has failed to conform to the requirements of the RFP; (i) conduct negotiations with any or all Bidders or other persons or with no Bidders or other persons; (j) execute one or more definitive agreements with any Bidder, and (k) utilize a Bidder's completed Appendices and any supplemental information submitted by the Bidder in any its regulatory filings.

9. **Contact**

All correspondence and questions regarding this RFP should be directed to:

SPPCapacityRFP2025@aep.com

Appendix A

Proposal Summary

Company Information

Bidder (Company):		
Contact Name (Title):		
Address:		
City:	State:	Zip Code:
Work Phone:	Cell Phone:	
Email Address:		
Is the Proposal being submitted through a partnership, joint venture, consortium, or other association? _____. If so, please identify all partners, joint ventures, members, or other entities or persons comprising same.		

General Proposal Information

Facility Name:
Technology:
Facility Location:
Point of Interconnection with SPP:
Bidders must submit the following for each facility: 1. SPP Deliverability Studies for the last three years 2. Hourly generation for the last 5 calendar years 3. Any ELCC information submitted to the SPP within the last year.
Other Facility Information:

Proposal Bid Price

MW	Term	Bid Price \$/kw-mo.	Other Bid Price Details

Appendix B

Bidder's Credit and Collateral Requirements

The RFP selected resource has the potential to expose the Companies and customers to credit risk in the event a selected Bidder is unable to fulfill its obligations pursuant to the terms of an executed definitive agreement. The Companies view the potential credit risk as the cost it would incur in the event that the Bidder defaulted at any time during the life of the contract. In an event of default under this type of contract, it could take up to 12 months, or longer, to replace the contract with a comparable asset-backed contract. In the interim, The Companies would have to procure capacity in the open market at then-prevailing market prices. This exposure can be viewed as a fixed collateral requirement multiplied by the megawatts (MW) of the bid.

If there is another bid type other than capacity only, the collateral requirement would need to be negotiated.

Exposure Calculation / Collateral Requirement

Under this scenario, the cost of procuring 12 months of capacity is calculated as:

$$\text{MWs} \times 1,000 \text{ KW/1 MW} \times \$72/\text{KW}$$

Credit Rating

If available, the "Credit Rating" for either the Bidder or its Guarantor is defined for purposes of this RFP as the lower of:

1) the most recently published senior, unsecured, unenhanced, long term debt rating (or corporate issuer rating if an unsecured, unenhanced, debt rating is unavailable) from Standard and Poor's ("S&P");

or

2) the most recently published senior unsecured, unenhanced, debt rating (or corporate issuer rating if an unsecured, unenhanced, debt rating is unavailable) from Moody's Investor Services.

If a Credit Rating is not available for the Bidder or its Guarantor, the Bidder or its Guarantor will be unrated and must post the maximum amount of collateral required based on the Credit Matrix table below.

Credit Matrix

Based on the Credit Rating of the Bidder or its Guarantor, the value in the Credit Matrix below represents the maximum amount of collateral required by the Bidder and/or its Guarantor. The Companies' internal credit risk tolerance specific to this RFP has been applied to the total collateral requirement.

Credit Rating	Total Requirement
A-/A3 and above	\$0 (Bidder has Credit Rating) or Guaranty = Collateral Requirement (Guarantor has Credit Rating)
BBB+/Baa1	Collateral Requirement - \$25,000,000*
BBB/Baa2	Collateral Requirement - \$20,000,000*
BBB-/Baa3	Collateral Requirement - \$10,000,000*
BB+/Ba1 and below	Collateral Requirement
*Maximum guarantee value acceptable	

Collateral must be provided by the Bidder or its Guarantor, if applicable, in the form of any combination of the following: cash (U.S. Dollars) or an irrevocable standby letter of credit from an issuer acceptable to the Companies ("Letter of Credit"). Any guaranty or letter of credit must be in a format acceptable to the Companies. The letter of credit issuer must be a commercial bank organized under the law of the United States or a political subdivision thereof operating from an office in the continental United States, who is not affiliated with the Bidder or its Guarantor (i) with a Credit Rating of at least "A-" in the case of S&P or "A3" in the case of Moody's; and, (ii) having assets of at least \$10,000,000,000.

In the event that the financial condition of a Bidder or its Guarantor changes over the term of the definitive agreement, the Companies reserve the right to request updated information to reevaluate the Bidder and its collateral requirements, which may be adjusted accordingly.

Each Bidder must provide a statement in good faith describing the manner in which it will comply with the credit requirements, if applicable. Upon receiving notification, a Bidder selected for the short list must provide specific evidence of its ability to meet the collateral requirements to be set forth in a definitive agreement. Evidence of Bidder's ability to post sufficient collateral or a guaranty may include, but not be limited to, a comfort letter from a financial institution that would be issuing a letter of credit, evidence of available cash on financial statements, a comfort letter from a proposed guarantor, or other evidence acceptable to the Companies based on commercially reasonable credit standards. Any

Bidder failing to provide sufficient evidence of the foregoing may be dismissed from further consideration.

Required collateral and a guaranty from an acceptable Guarantor, if applicable, must be posted by Bidder upon execution of definitive agreements.

In the event that Bidder's financial condition or Credit Rating changes at any time after submission of its bid and before consummation of definitive agreement, the Bidder will provide notice to the Companies and will update information concerning this change. The Companies reserve the right to request any updated pertinent information and to reevaluate and adjust the Bidder's and collateral requirement based on such change.

Any Bidder failing to provide evidence in sufficient detail of changes in financial condition or Credit Rating and the ability to meet any adjusted collateral requirement, may be dismissed from further consideration.

If Bidder, its Guarantor, or other affiliates supported by the same Guarantor have existing exposure under transactions with the Companies, or its affiliates, the Companies reserve the right to require additional collateral as a means to mitigate the incremental exposure from the potential transaction under this RFP.

On or before the date this EEI is fully executed, Seller shall establish a Security Deposit in the amount of the required collateral. If a breach of Seller's obligations under this EEI has occurred and is continuing, then in addition to any other remedy available to it, Purchaser may, draw from the Security Deposit. Purchaser may, in its sole discretion, draw all or any part of such amounts due to it from any form of Security Deposit.

"Security Deposit" means the performance security that Seller is required to establish and maintain through the term of this EEI. The Security Deposit shall be provided in the form of (A) cash, or (B) an irrevocable standby letter of credit provided from an Acceptable Issuing Bank.

"Security Deposit Amount" means the per MW security requirement established during the bidding process.

"Acceptable Issuing Bank" means a United States commercial bank or a foreign bank from a United States branch, which has at the applicable time a Credit Rating of (a) A- or better from Standard & Poor's Rating Services and (b) A3 or better from Moody's Investors Service, Inc.

Appendix C

RFP BIDDER PROFILE FORM

1.1 Bidder's Credit Representative

The Bidder's Credit Representative is the Bidder's in-house credit contact who can answer questions or provide information about the Bidder's credit and financial information with respect to the requirements of the RFP.

Bidder's Credit Representative Information and, where necessary, the Credit Representative Information from its Guarantor, if different from Bidder's.

Name of Bidder: _____

Bidder's Credit Representative:

Last Name	First Name	Title

Address

Address (2)

City	State	Zip Code
Telephone Number	Fax Number	Email Address

Name of Guarantor, if applicable: _____

Guarantor's Credit Representative Information, if applicable:

Last Name	First Name	Title



Address

Address (2)

City	State	Zip Code
Telephone Number	Fax Number	Email Address

1.2 Credit Requirements and Financial Information for the Bidder and/or for its Guarantor

Please submit the following information for the Bidder and/or its Guarantor:

- 1) Three most recent Annual Reports, if available;
- 2) Three most recent SEC Form 10-Ks; if unavailable, please provide three years' of most recent audited financial information, which includes Balance Sheet, Income Statement, Cash Flow Statement and accompanying related notes;
- 3) Most recent SEC Form 10-Q; if unavailable, most recent audited quarterly financial information, including Balance Sheet, Income Statement, Cash Flow Statement and accompanying related Notes. If audited quarterly information is unavailable, provide most recent quarterly or monthly financial data accompanied by an attestation by the Bidder's or its Guarantor's Chief Financial Officer that the information submitted is a true, accurate, and fair representation of the Bidder's financial condition;
- 4) Bidder's or its Guarantor's Senior Unsecured Credit rating from the following agencies:

Standard & Poor's

Moody's Investor Service

- 5) If Senior Unsecured Credit Ratings are unavailable, provide the Bidder's or its Guarantor's corporate issuer ratings from the following agencies:

Standard & Poor's

Moody's Investor Service

Is the Bidder and/or its Guarantor:

- 1) Operating under Federal Bankruptcy laws or bankruptcy laws in any other jurisdiction? (Yes/No)

Bidder

Guarantor

- 2) Subject to pending litigation or regulatory proceedings (in state court, federal court, or from regulatory agencies, or in any other jurisdiction) which could have a

material impact on the Bidder's or the Its Guarantor's financial condition?
(Yes/No)

Bidder

Guarantor

3) Subject to collection lawsuits or outstanding judgments, which could impact solvency? (Yes/No)

Bidder

Guarantor

Please provide a statement disclosing any existing, pending, or past adverse rulings, judgments, litigation, contingent liabilities, revocations of authority, administrative, regulatory (State, FERC, SEC, DOJ, or other) investigations and any other matters relating to financial or operational status for the past three years that arise from the sale of electricity or natural gas, or materially affect current financial or operational status.



Appendix D

MASTER POWER PURCHASE AND SALE AGREEMENT CONFIRMATION LETTER

This confirmation letter shall confirm the “Transaction” set forth below and agreed to on _____, 2025 by _____ and between American Electric Power Service Corporation, as agent for Southwestern Electric Power Company (SWEPCO), and Public Service Company of Oklahoma (PSO), (“AEPSC” or “Buyer”) and _____ (“_____” or “Seller”) regarding the sale/purchase of the Product under the terms and conditions as follows:

Master Agreement: EEI Master Power Purchase and Sale Agreement dated _____, 20____ between Seller and Buyer

Seller: _____

Buyer: AEPSC, as agent for SWEPCO/PSO

Product: Unit Deliverable Capacity (as defined below), with Integrated Marketplace Energy Offer Obligation (as defined below)

Unit (name and location): _____

Delivery Period: All Hours, from _____ to _____

Contract Quantity: _____ KWs

Delivery Point: SPP Balancing Authority Area at [_____] (insert bus)]

Contract Price: For each month during the Delivery Period, Buyer shall pay Seller (1) the Capacity Payment minus (2) any Deficiency Amount. Should the preceding calculation result in a negative number, Seller shall pay the absolute value of such amount to Buyer.

The Capacity Payment shall be calculated by Buyer as the Capacity Price set forth below multiplied by the Contract Quantity, as set forth in the table below:

Capacity Price (\$/KW-mo)	Contract Quantity (KW)	Capacity Payment (\$/mo)
\$ _____	_____	\$ _____

Additional Definitions: **“Available”** means that the Unit is not derated or curtailed due to: (i) Planned Maintenance, (ii) Forced Outage (as defined in the NERC Generating Unit Availability Data System (GADS) Forced Outage reporting guidelines), or (iii) Force Majeure.

“Buyer’s Replacement Damages” means the dollar amount of (i) costs incurred by Buyer, including transaction costs, to purchase replacement capacity to make up for any shortfall between the Contract Quantity and the actual amounts of Unit Firm Capacity delivered by Seller; and (ii) any Deficiency Payment incurred by Buyer.

“Deficiency Amount” means a monthly dollar amount, as calculated by Buyer, that will result in Buyer receiving the greater of (1) Buyer’s Replacement Damages or (2) twice the Capacity Price per KW of Contract Quantity which Seller is unable to deliver for the applicable month.

“Deficiency Payment” has the meaning assigned in Attachment AA of the SPP Tariff.

“Deliverable Capacity” has the meaning assigned in Attachment AA of the SPP Tariff.

“Generator Owner” has the meaning assigned in Attachment AA of the SPP Tariff.

“Integrated Marketplace” has the meaning set forth in in Attachment AE to the SPP Tariff.

“Integrated Marketplace Energy Offer Obligation” means that amounts of energy from the Unit and consistent with the Unit’s Deliverable Capacity, when Available, shall be offered by Seller or its designee into the Integrated Marketplace consistent with and pursuant to the requirements of the SPP Tariff and SPP Protocols.

“Load Responsible Entity” has the meaning assigned in Attachment AA of the SPP Tariff; for purposes of this Transaction Confirmation, Buyer has the role of the Load Responsible Entity.

“Network Integration Transmission Service” has the meaning assigned in the SPP Tariff.

“Network Resource” has the meaning assigned in the SPP Tariff.

“Resource Adequacy Requirement” has the meaning assigned in the SPP Tariff.

“Rule” means any law, requirement, permit, tariff, protocol, rule, order, regulation, and procedure authorized or established by any applicable governmental authority or regulatory body that may affect the Parties’ obligations in this Confirmation.

“SPP Protocols” means SPP’s rules, criteria, and market protocols, as they may be amended or superseded from time to time.

“SPP Tariff” means the SPP Open Access Transmission Tariff, Sixth Revised Volume No. 1, as may be amended from time to time.

“Transmission Service Request” or “TSR” has the meaning assigned in the SPP Tariff.

“Unit Firm Capacity” is a product pursuant to which the Seller agrees to deliver the Contract Quantity of capacity that qualifies as Deliverable Capacity, as measured pursuant to the SPP Protocols and SPP Tariff (including Attachment AA), from the specified Unit. The Seller must perform all applicable duties of a Generator Owner pursuant to the SPP Protocols and SPP Tariff (including Attachment AA) to qualify the Contract Quantity of capacity such that it can be used for meeting the Load Responsible Entity’s Resource Adequacy Requirement.

Representations and Warranties:

Seller represents and warrants that (1) it has sufficient contractual rights to the Unit and the energy associated with the Unit to satisfy its obligations herein; (2) the Unit will be demonstrated, in accordance with SPP Protocols and the SPP Tariff, Criteria, to have a summer net capability sufficient for Seller to satisfy its obligation to sell and deliver to Buyer the Contract Quantity of Unit Firm Capacity; (3) the Unit Firm Capacity that Seller is obligated to sell and deliver to Buyer under this Confirmation has not been sold to any other entity and (4) during the Delivery Period, energy from the Unit has not (and Seller covenants that it will not) be sold or committed to third parties in a manner which conflicts with the Integrated Marketplace Energy Offer Obligation.

Additional Terms:

Single source. Seller is not permitted to deliver the Unit Firm Capacity from any resource other than the Unit.

Delivery and Invoicing. The Unit Firm Capacity shall be considered to have been delivered to Buyer for purposes of determining the actual quantity received when SPP has completed its annual Resource Adequacy Requirement process and by doing so has determined the amount of capacity from the Unit which shall be credited toward meeting the Buyer's Resource Adequacy Requirement. Once the annual determination is made by SPP, the monthly quantities are expected to be the same for each month for the applicable year, with Buyer preparing invoices reflecting that quantity on a monthly basis.

Replacement. If Buyer has reasonable grounds to believe that Seller will be unable to deliver the Contract Quantity in a timely manner, Buyer may, after providing written notice and a 15 Business Day opportunity to Seller to cure, obtain replacement capacity for any expected shortfall (the costs for which may be included in Buyer's Replacement Damages).

Change in law. Should there be a change in law to any Rule that directly impacts the implementation of this Transaction Confirmation, the Parties agree to confer as to the appropriate accommodations that may be necessary to achieve delivery of the Contract Quantity at the Contract Price.

Liquidated Amounts. With respect to the Deficiency Amount and to Buyer's Replacement Damages, the Parties acknowledge that the damages calculated hereunder constitute a reasonable approximation of the harm or loss, and the Parties agree upon these liquidated amounts.

This confirmation letter is being provided pursuant to and in accordance with the above-referenced Master Agreement and constitutes part of and is subject to the terms and provisions of



such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement.

Buyer:

American Electric Power Service
Corporation

Seller:

[COMPANY]

Name: _____

Title: _____

Date: _____

Name: _____

Title: _____

Date: _____