

SCHEDULE F

AEP Texas North Company		
2012 Energy Efficiency Cost Recovery Factor		
	Schedule F	
2012 Energy Efficiency Programs		
Program	Customer Class	Description
AC Distributor Pilot MTP	Residential	Provides incentives to air conditioning equipment distributors in one or more cities served by TNC. The program's objective will be to increase the market penetration of high-efficiency air conditioning equipment for residential customers served by TNC.
AEP Texas CARE\$ Energy Efficiency for Not-for-Profit Agencies SOP	Commercial	Targets a specific segment of commercial customers that are not-for-profit agencies whose primary purpose is to provide various services for the hard-to-reach customer population. Agencies submit proposals of the cost of installing energy efficiency improvements in their administrative facilities. Contracts are awarded to those agencies with proposals containing the most comprehensive energy efficiency projects. With lower electric bills, a larger share of agency funds will be available for hard-to-reach client assistance.
Commercial Solutions Pilot MTP	Commercial	Provides energy efficiency and demand reduction solutions for commercial customers identified as having a need for energy efficiency improvements but needing support from an outside source. Facilitates the examination of actual demand and energy savings, operating characteristics, program design, long-range energy efficiency planning and overall measure and program acceptance by the targeted customers. Incentive are paid to customers served by TNC for certain measure installed in new or retrofit applications, which provide verifiable demand and energy savings.
Commercial SOP	Commercial	Provides incentives for the installation of a wide range of measures that reduce customer energy costs and reduce peak demand and/or save energy in non-residential facilities. Customer sites may include hotels, schools, manufacturing facilities, restaurants, and larger grocery stores. These customers have installed such eligible measures as lighting retrofits, new or replacement chiller systems, high efficiency pumping systems, and other similar technologies. Incentives are paid to third-party project sponsors on the basis of deemed savings. If deemed savings have not been established for a particular qualifying energy efficiency measure, then incentives may be paid on the basis of verified peak demand and/or energy savings using the International Performance Measurement and Verification Protocol.

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Hard-to-Reach SOP	Hard-to-Reach	Targets a specific subset of residential customers as defined by P.U.C. Subst. R. 25.181(c)(16). The Hard-to-Reach customer has a total household income that is less than 200% of the federal poverty guidelines. The program provides incentives for the installation of a wide range of measures that reduce residential customer energy costs and reduce peak demand. It is designed to cost-effectively provide energy efficiency improvements to individual households at no or very low cost. Eligible measures include replacement air conditioners, wall and ceiling insulation and air distribution duct improvements in existing homes. Incentives are paid to EESPs for eligible measures on the basis of deemed savings.
Load Management SOP	Commercial	Targets commercial customers that have a minimum demand of 500 kW or more. Incentives are paid to project sponsors that can identify interruptible load and provide curtailment of this electric load on short notice. These payments are based on the delivery of metered demand reduction.
Low Income Energy Monitor Program	Hard-to-Reach	Will provide incentives toward the purchase and installation of in-home energy use monitors for a limited number of customers in association with the deployment of the Advanced Metering System (AMS). This Research & Development (R&D) program is to be made available on a standard offer basis to REPs first then to any interested EESP. Customers will received energy efficiency educational materials, in-home energy monitor use instructions, and details about how to save money and energy.
Research and Development In Home Device Pilot	Residential	Will provide in-home energy use monitors for a limited number of customers in association with the deployment of the Advanced Metering System (AMS). Participants will receive energy efficiency educational materials, in-home energy monitor use instructions, and details about how to save money and energy.
Residential SOP	Residential	Provides incentives for the installation of a wide range of measures that reduce residential customer energy costs and cost-effectively reduce peak demand. It is also designed to encourage private sector delivery of energy efficient products and services. Eligible measures include replacement air conditioners, wall and ceiling insulation and air distribution duct improvements. Incentives are paid to Project Sponsors for eligible measures installed in retrofit applications on the basis of deemed savings.
SCORE SM /CitySmart MTP	Commercial	Provides energy efficiency and demand reduction solutions for cities and public schools. SCORE/CitySmart will facilitate the examination of actual demand and energy savings, operating characteristics, program design, long-range energy efficiency planning and overall measure and program acceptance by the targeted cities and schools. Incentives are paid to cities and public school partners served by TNC for certain measures installed in new or retrofit applications, which provide verifiable demand and energy savings.
SMART Source SM Solar PV Pilot MTP	Commercial & Residential	Provides incentives for residential and commercial customers that install solar electric (photovoltaic) systems interconnected on the customer's side of the electric service meter.
Targeted Low-Income Energy Efficiency Program	Low-Income Residential	TNC's Targeted Low-Income Energy Efficiency Program is designed to cost-effectively reduce the energy consumption and energy costs of TNC's low-income customers. The program provides eligible residential customers with appropriate weatherization measures and basic on-site energy education. This program enhanced and supplemented the federally funded Weatherization Assistance Program.