

AEP GENERATION RESOURCES, INC.

RATE SCHEDULE No. 3

REACTIVE SUPPLY AND VOLTAGE CONTROL FROM GENERATION SOURCES SERVICE

AEP Generation Resources Inc. (“AEP Generation Resources”) provides Reactive Supply and Voltage from Generation Sources Service (“Reactive Supply Service”) from various generating facilities to the PJM Interconnection, LLC (“PJM”) system. This Rate Schedule sets forth AEP Generation Resources’ revenue requirements for the provision of Reactive Supply Service to PJM, as contemplated by Schedule 2 of the PJM open access transmission tariff. This Rate Schedule shall be effective upon the date authorized by the Federal Energy Regulatory Commission.

REACTIVE SUPPLY SERVICE REVENUE REQUIREMENT

UNIT NAME	REACTIVE REVENUE REQUIREMENT
Cardinal 1	\$721,224
Conesville 4	\$335,057
Conesville 5	\$406,990
Conesville 6	\$406,990
Gavin 1	\$1,192,575
Gavin 2	\$1,192,575
Stuart 1	\$145,759
Stuart 2	\$145,759
Stuart 3	\$145,759
Stuart 4	\$145,759
Zimmer	\$308,555
Waterford	\$2,507,152
Lawrenceburg	\$3,104,021
Darby	\$1,238,809
Total Annual Revenue Requirement	\$11,996,984.00
Total Monthly Revenue Requirement	\$999,748.67