

\_\_\_\_\_  
Name of Bidder

## **REFRESH PROCESS FORM**

### **Deadline for Refresh: May 5, 2015**

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Ohio Power Company (“Company” or “AEP Ohio”) is procuring full requirements service for its Standard Service Offer (“SSO”) customers through a competitive bidding process (“CBP”), consistent with the Opinions and Orders of the Public Utilities Commission of Ohio (“PUCO” or “Commission”) in Case No. 13-2385-EL-SSO.

The Refresh Process Form must be completed electronically, signed, scanned, and emailed to the Auction Manager at [AEP-CBP@nera.com](mailto:AEP-CBP@nera.com). Terms not explicitly defined in the Refresh Process Form are defined in the Glossary, the CBP Rules, or the Master SSO Supply Agreement. These documents are posted to [www.AEPOhioCBP.com](http://www.AEPOhioCBP.com).

You agreed to the CBP Rules and agreed to accept the provisions contained in the Master SSO Supply Agreement in your Part 1 Application.

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***Information and materials that you submit as part of the Refresh Process may be provided on a confidential basis to the Commission and their representatives. Representatives from AEP Ohio will decide whether the form of pre-bid security documents submitted are acceptable; pre-bid security documents other than cash will be redacted prior to being provided to AEP Ohio representatives for review so as not to reveal a Bidder’s identity or the amount of the Bidder’s Indicative Offer.***

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***Upon completion of the Refresh Process the Total Initial Eligibility for the second auction will be provided. As part of this Refresh Process, you are required to renew certifications made during the Part 1 Application and Part 2 Application.***

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## **INSTRUCTIONS FOR REFRESH PROCESS**

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**PLEASE COMPLETE ALL SECTIONS.**

Registered Bidders must:

- Enter all information required by the Refresh Process Form;
- Sign and scan the Refresh Process Form;
- Email the completed Refresh Process Form to [AEP-CBP@nera.com](mailto:AEP-CBP@nera.com); and
- Ensure that pre-bid security is sufficient to support the updated indicative offer, which may require a Registered Bidder to amend its pre-bid letter of credit to increase the amount or to post additional cash pre-bid security.
- Any amendment to the pre-bid letter of credit should be sent by overnight delivery service to NERA – AEP Ohio Auction Manager, 1835 Market Street, Suite 1205, Philadelphia, PA 19103. Any posting of additional cash should be made according to the instructions provided by the Auction Manager.

Together, the above items will be referred to as “Refresh Process Materials”.

*A “day” is a business day and all times are Eastern Prevailing Times (“EPT”).*

*The Refresh Process Materials MUST be received by the Auction Manager no later than 12 PM (noon) EPT on May 5, 2015 (the Deadline for Refresh).*

Inquiries may be directed to the Auction Manager by:

- telephone (215) 568-0200
- through the “Ask a Question” page on the CBP website at [www.AEPOhioCBP.com](http://www.AEPOhioCBP.com)

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## **II Refresh Process Review**

### **Notifications**

The Auction Manager, for the purposes of the auction, provides all notifications to the Representative by email. Any notification or other written communication from the Auction Manager to a bidder that is sent by email will be sent to the Representative and the Nominees. Any such notification or communication will be deemed received by the bidder at the time of delivery or transmission, provided that when delivery or transmission occurs after 6 PM on a business day or occurs on a day that is not a business day, receipt will be deemed to occur at 9 AM on the following business day. Any communication from the bidder to the Auction Manager by email should be addressed to [AEP-CBP@nera.com](mailto:AEP-CBP@nera.com).

### **Acknowledgment of Receipt**

The exclusive method for a bidder to respond to the requirements of the Refresh Process, with the exception of separately providing an amendment to its pre-bid letter of credit or cash, is completing this Refresh Process Form and emailing it to the Auction Manager at [AEP-CBP@nera.com](mailto:AEP-CBP@nera.com). Upon first submission of Refresh Process Materials, the Auction Manager acknowledges receipt by email.

### **Timing of Refresh Process Materials Review**

The last day of the Refresh Process is called the Deadline for Refresh. All Refresh Process Materials must be received by 12 PM (noon) on the Deadline for Refresh. If Refresh Process Materials are received before 12 PM (noon) on any day during the Refresh Process, the Auction Manager acknowledges receipt on the day the Refresh Process Materials are received. If the Refresh Process Materials are received after 12 PM (noon) on any day during the Refresh Process Window prior to the Deadline for Refresh, the Auction Manager sends the acknowledgment of receipt along with the initial review by 12 PM (noon) of the next day. The initial review states either that the bidder has satisfied the requirements of the Refresh Process or the initial review lists items of the Refresh Process Materials that are incomplete or require clarification.

### **Deficiencies**

If Refresh Process Materials are incomplete or requires clarification, the Auction Manager sends a deficiency notice to the bidder. If a bidder receives a first deficiency notice from the Auction Manager regarding any item of the Refresh Process Materials except for matters related to pre-bid security, the bidder has until 12 PM (noon) on the Deadline for Refresh, or until 6 PM on the day following the business day during which such deficiency notice is sent to the bidder, whichever comes later, to respond. If a bidder receives a first deficiency notice from the Auction Manager regarding pre-bid security, the bidder has until 12 PM (noon) on the Deadline for Refresh, or until 6 PM on the second day following the business day (during which such deficiency notice is sent to the bidder, whichever comes later, to respond. If the bidder

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does not correct or adequately explain the deficiency within the time allowed, the Refresh Process Materials may be rejected and a bidder may be unable to participate in the second auction.

**Late Refresh Process Materials**

No late Refresh Process Materials will be accepted under any circumstances.

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## REFRESH PROCESS FORM

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### 1.1 Updated Indicative Offer and Minimum Pre-Bid Security

Please provide your Updated Indicative Offer in Table 1.1 below. An Updated Indicative Offer specifies two (2) numbers of tranches. The first number represents the number of tranches you are willing to bid at the Minimum Starting Price for all products in the second auction and the second number represents the number of tranches that you are willing to bid at the Maximum Starting Price for all products in the second auction. The Updated Indicative Offer must be such that:

- The number of tranches specified in the Indicative Offer at the Minimum Starting Price does not exceed the number of tranches specified at the Maximum Starting Price;
- The number of tranches at the Maximum Starting Price does not exceed the load cap of 40 tranches;
- The number of tranches at the Maximum Starting Price, together with the number of tranches won in the first auction, does not exceed the credit-based tranche cap.

In the auction itself, you are not required to bid the number of tranches in your updated Indicative Offer. However, your Initial Eligibility to bid in the second auction will be determined by the total number of tranches in your Updated Indicative Offer at the Maximum Starting Price.

**Table 1.1 Updated Indicative Offer**

Updated Indicative Offer (number of tranches)		
Minimum Starting Price: \$70/MWh		Tranches
Maximum Starting Price: \$95/MWh		Tranches

***Is your Updated Indicative Offer at the Maximum Starting Price greater than the Indicative Offer at the Maximum Starting price you submitted in your Part 2 Application?***

- Yes                       No

**IF YES, PLEASE PROVIDE UPDATED INFORMATION BELOW.**

**IF NO, PLEASE PROCEED TO SECTION 1.2.**

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Please enter your Updated Minimum Pre-Bid Security in the table below.

**Table 1.2 Updated Minimum Pre-Bid Security Calculation**

<b>Updated Minimum Pre-Bid Security Calculation:</b>  This amount is equal to \$500,000 multiplied by the number of tranches in the Updated Indicative Offer at Maximum Starting Price.	\$
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This is the amount of Minimum Pre-Bid Security that is necessary to support your Updated Indicative Offer.

***Are you submitting the Updated Minimum Pre-Bid Security by (choose one):***

- Providing an amendment to the amount of your Pre-Bid Letter of Credit
- Posting additional cash

No updates to the Additional Pre-Bid Security documents that you may have provided with your Part 2 Application (Letters of Intent to Provide a Guaranty, Letters of Reference) are required under the Refresh Process.<sup>1</sup>

<sup>1</sup> If a bidder is required to provide Additional Pre-Bid Security in the second auction, but was not required to do so in the first auction, then the bidder will receive specific instructions from the Auction Manager.

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## 1.2 Preliminary Interest

Please provide your Preliminary Interest in each product in Table 1.3 below. The Preliminary Interest for a product specifies two (2) numbers of tranches. The first number represents the number of tranches that you are willing to bid for that product at the Minimum Starting Price and the second number represents the number of tranches that you are willing to bid for that product at the Maximum Starting Price.

The preliminary interest at a given price (the Minimum Starting Price or the Maximum Starting Price) **must not exceed** the Updated Indicative Offer at that price. However, the sum of the preliminary interests across all products at a given price **may exceed** the Updated Indicative Offer at that price.

**Table 1.3 Preliminary Interest**

<b>Preliminary Interest (number of tranches)</b>		
<b>Product</b>	<b>Preliminary Interest at the Minimum Starting Price: \$70/MWh</b>	<b>Preliminary Interest at the Maximum Starting Price: \$95/MWh</b>
<b>12-Month</b>		
<b>24-Month</b>		
<b>36-Month</b>		

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*Name of Bidder*

### **1.3 Refresh Process Certifications**

*Name of Bidder*

(1) I certify that the Bidder will continue to abide by all certifications and commitments made in the Part 1 Application and the Part 2 Application.

(2) As Representative, I will ensure that only authorized persons act on behalf of the Bidder in the Auction Process.

(3) The Bidder agrees to destroy any document distributed by the Auction Manager that lists the Qualified Bidders within five (5) days of the decision by the Commission on the results of the second auction, or earlier if so instructed by the Auction Manager.

(4) I understand that failure to adhere to any of the certifications or commitments made in the Part 1 and 2 Applications, or failure to adhere to certifications in the Refresh Process Form may result in sanctions. Such sanctions can include, but are not limited to, termination of the Master SSO Supply Agreement, loss of all rights to provide SSO supply for AEP Ohio to serve any load won by such bidder, forfeiture of financial guarantees and other fees posted or paid, prosecution under applicable state and federal laws, debarment from participation in future competitive bidding processes, and other sanctions that may be appropriate.

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Signature of Representative

\_\_\_\_\_  
Date

***End of Refresh Process Form***

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