

ALVORD AND ALVORD
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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)
ROBERT W. ALVORD (2011)

January 14, 2015

Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423

Dear Section Chief,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Sublease Assignment and Security Agreement, dated as of December 31, 2014, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board under Recordation Number 22814.

The name and address of the party to the enclosed document are:

Assignor/Debtor: Appalachian Power Company
155 W. Nationwide Boulevard, Suite 500
Columbus, Ohio

Assignee/
Secured Party: Wells Fargo Bank Northwest, National
Association
299 South Main Street, 12th Floor
Salt Lake City, UT 84111

A description of the railroad equipment covered by the enclosed document is:

25 railcars within the series OPX 8407 – OPX 8678 as more particularly set forth on the attachment to the document.

Section Chief
January 14, 2015
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A short summary of the document to appear in the index is:

Sublease Assignment and Security Agreement.

Also enclosed is a check in the amount of \$43.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,


for

Edward M. Luria

EML/cem
Enclosures

SUBLEASE ASSIGNMENT AND SECURITY AGREEMENT

This Sublease Assignment and Security Agreement, dated as of December 31, 2014 (this "*Assignment*"), is by and between APPALACHIAN POWER COMPANY, a Virginia corporation ("*APCo*"), as assignor and debtor, and WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION, a national banking association not in its individual capacity but solely as owner trustee under the Trust Agreement (as successor to First Security Trust Company of Nevada, the "*Lessor*"), as assignee and secured party.

WITNESSETH:

WHEREAS, pursuant to that certain Railcar Lease (the "*Original Lease*"), dated as of March 1, 2000, between APCo, as lessee, and the Lessor, as lessor, APCo leases those certain railcars described on Exhibit A hereto (the "*Equipment*"); and

WHEREAS, pursuant to that certain Security Agreement—Trust Deed ("*Security Agreement—Trust Deed*"), dated as of March 1, 2000, between the Lessor and Wilmington Trust Company (the "*Security Trustee*"), the Lessor granted to the Security Trustee a first priority security interest in, among other things, the Original Lease to secure the Lessor's obligations under its financing; and

WHEREAS, APCo has agreed to sublease the Equipment to AEP Generation Resources Inc., a Delaware corporation ("*AGR*") pursuant to that certain Short Term Car Lease Agreement dated December 31, 2014 (the "*Sublease*") between APCo and AGR; and

WHEREAS, the Lessor and the Security Trustee have requested that APCo collaterally assign its interest in the Sublease to the Lessor to secure APCo's obligations under the Original Lease; and

WHEREAS, APCo now desires to assign its interest in the Sublease to the Lessor; and

WHEREAS, the Lessor intends assign its interest in the Sublease to the Security Trustee;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter contained, the parties agree as follows:

1. APCo hereby assigns and grants a security interest to the Lessor in the Sublease, including all extensions of the term of the Sublease, together with all rights, powers, privileges, options and other benefits of APCo as lessor under the Sublease, including, without limitation:

(a) the immediate and continuing right to receive and collect all rent, including without limitation stipulated loss value payments, any insurance proceeds, condemnation awards, payments by AGR in respect of warranty claims, and other payments, tenders and security now or hereafter payable to or receivable by the lessor under the Sublease pursuant thereto,

(b) the right to make all waivers and agreements and to enter into any amendments relating to the Sublease and to give and receive duplicate copies of all notices and other

instruments or communications, and

(c) the right to take such action upon the occurrence of an event of default under the Sublease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Sublease or by law, to give all notices of Default under the Sublease, and to do any and all other things whatsoever which APCo or any lessor is or may be entitled to do under the Sublease.

2. It is expressly agreed that, anything herein contained to the contrary notwithstanding, APCo shall at all times remain liable to AGR under and in accordance with the Sublease (as a principal and not as a surety), and the Lessor shall not have any obligation or liability under the Sublease by reason of, or arising out of, this Assignment or be obligated to perform any of the obligations or duties of APCo under the Sublease.

3. APCo agrees that at any time and from time to time, APCo shall promptly and duly execute and deliver any and all such further instruments and documents and take such further action as the Lessor may reasonably request or as is necessary or prudent in order to obtain the full benefits of this Assignment and of the rights and powers herein granted and to maintain in the Lessor (or the Security Trustee, as applicable) a first priority perfected security interest in, and assignment of, the Sublease, including without limitation filings with the Surface Transportation Board and the Registrar General of Canada.

4. APCo does hereby represent, warrant and covenant that (i) the Sublease is in full force and effect and enforceable in accordance with its terms and that APCo is not in default thereunder; (ii) APCo has not assigned or pledged, and hereby covenants that it shall not assign or pledge so long as this Assignment remains in effect, the whole or any part of the rights hereby assigned to anyone other than the Lessor; (iii) APCo shall not, so long as this Assignment remains in effect, enter into any agreement with AGR which would amend, modify, rescind, cancel or terminate the Sublease without the prior written consent of the Lessor and the Security Trustee; (iv) all regulatory approvals, if any, in connection with the Sublease have been obtained and are in full force and effect; (v) the Sublease, including any renewals thereof shall in no event extend beyond the term of the Lease; (vi) such Sublease and the operation of the cars thereunder will not cause or permit such cars to be "tax-exempt use property" within the meaning of Section 168(h) of the Internal Revenue Code of 1986, as amended, (vii) such Sublease complies with the requirements of the Original Lease and (viii) APCo shall remain primarily liable to the Lessor under the Original Lease.

5. The Lessor agrees that it shall not enter into any agreement with AGR which would amend, modify, rescind, cancel or terminate the Sublease without the prior written consent of APCo, unless the Lessor has notified AGR that a Default or Event of Default has occurred and is continuing.

6. Pursuant to the Security Agreement—Trust Deed, the Lessor has reassigned and granted a security interest to Wilmington Trust Company, as Security Trustee, as security for the Notes issued thereunder, in all of the Lessor's right, title and interest in and to the Sublease and under this Assignment.

7. Without limiting the generality of its other respective remedies under the Operative Agreements, each of the Lessor and the Security Trustee shall have the respective rights of a secured party under the Uniform Commercial Code as respects the Sublease upon the occurrence of a Lease Event of Default.

8. Capitalized terms used herein but not defined herein shall have the meaning ascribed thereto in the Original Lease. Each of the Sublease, this Assignment and any other document or agreement executed and delivered in connection therewith shall be treated as an "Operative Agreement" for purposes of the transactions contemplated by the Original Lease.

9. This Assignment shall be governed by and construed in accordance with the internal laws of the State of Ohio (without regard to the conflict of law provisions of such State). APCo shall be responsible for all out-of-pocket costs and expenses of the Lessor, the Security Trustee and the Note Purchasers and the Owner Participant (as defined in the Original Lease) in connection with the Sublease, this Assignment and the transactions contemplated thereby and hereby.

SUBLEASE ASSIGNMENT

This Assignment may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Assignment.

IN WITNESS WHEREOF, the parties have hereunto set their hand as of the 31st day of December, 2014.

APPALACHIAN POWER COMPANY

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION, NOT IN ITS INDIVIDUAL
CAPACITY BUT SOLELY AS OWNER TRUSTEE as the
Lessor

By



Its

Assistant Treasurer

By

Its

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Lessor

By _____
Its

By Ma-A _____
Its Michael Arsenault
Vice President

EXHIBIT A

DESCRIPTION OF EQUIPMENT

DESCRIPTION	NUMBER OF CARS	MARKS	CAR NUMBERS
Johnstown America 4,300 cubic foot Non-Rotary Aluminum AutoFlood II railcars	25	OPX	8407, 8413, 8431, 8446, 8449, 8453, 8461, 8479, 8506, 8514, 8524, 8526, 8533, 8550, 8558, 8561, 8570, 8579, 8596, 8599, 8604, 8613, 8616, 8617, 8678

CERTIFICATION

I, Edward M. Luria, an attorney licensed to practice in the District of Columbia, the State of Delaware and the Commonwealth of Pennsylvania, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 1/14/25

Edward M Luria
Edward M. Luria