

AEP Texas
Summer and Winter
Load Management
Standard Offer Program

Manual
2025 - 2026



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This manual summarizes the goals, pricing and application process of the AEP Texas Summer Load Management Program (SLMP) and Winter Load Management Program (WLMP). It includes information about eligibility requirements, incentive payments, the participation process, and descriptions and samples of enrollment materials developed by AEP Texas for participants. The information included in this manual is subject to change. The latest information and application forms can be found on the AEP Texas website at <https://www.aeptxsaves.com>.

LM 1 Introduction

Headquartered in Columbus, Ohio, American Electric Power (AEP) owns more than 36,000 megawatts of generating capacity, making it one of the largest electricity generators in the United States. AEP serves more than 5 million customers across 11 states.

The AEP Texas SLMP and WLMP were developed to provide financial incentives to Energy Efficiency Service Providers (EESPs)- including contractors, energy service companies, retail electric providers, or customers for reducing electric consumption on short notice during peak demand periods. Incentives are based on verified demand savings achieved at AEP Texas distribution customer sites through load interruption events.

To participate, sponsoring entities (“Project Sponsors”) must submit an application and enter into an Agreement (the “Agreement”) with AEP Texas. Under the Agreement, Project Sponsors commit to delivering demand savings by curtailing Interruptible Load at customer sites. AEP Texas will verify actual demand savings from interruptions (the “Verification Process”) and payment will be issued to the Project Sponsor based on the verified results.

Summer Load Management Program (SLMP)

Project Sponsors must commit Interruptible Load to the SLMP within 30 minutes of event notification. Events may be called during the Summer Peak Demand Period between 1 p.m. – 7 p.m., Monday through Friday, during June through September, excluding weekends and Federal holidays. The SLMP will require one scheduled one-hour test interruption at the beginning of the Performance Period and up to four (4) unscheduled interruptions per calendar month during the Performance Period for most Options. See Chapter 7 for incentive details.

Winter Load Management (WLMP)

Project Sponsors must commit Interruptible Load to the WLMP within 30 minutes of event notification. Events may be called 24 hours a day, seven days a week during the Program Operating Period, defined as December 1, 2025, through February 28, 2026. The WLMP will require one scheduled one-hour test interruption and up to four (4) Unscheduled interruptions. The Unscheduled Interruptions will have a maximum duration of four (4) hours. See Chapter 7 for incentive details.

This chapter provides a general introduction to the SOP, including an overview of SOP features and background information on AEP Texas’ energy efficiency initiatives. All SOP information is available at: <https://www.aeptxsaves.com/commercial-programs/load-management/>. AEP Texas will accept applications on a first-come, first-served basis. Applications will continue to be accepted until all funds have been committed.

The Texas Technical Reference Manual (TRM) Version 13.0 Vol 4 MV Protocols has savings verification methodology for participating customers in the Load Management Standard Offer Program. A copy can be found at [TexasEfficiency.com](https://www.texasenergy.com/txef/) **(Will Be Published November 2025)**

1.1 Background

The Summer Load Management Program (SLMP) was developed to support Texas energy efficiency goals. In 1999, the Texas Legislature passed Senate Bill 7 (SB7), restructuring the

state's electric utility industry. SB7 requires each investor-owned utility to achieve annual reductions in system demand growth through energy efficiency programs.

On June 8, 2021, Senate Bill 3 (SB3) was signed into law, authorizing Transmission and Distribution Utilities to design and operate load management programs for non-residential customers to reduce peak demand during grid emergencies. In response, AEP Texas launched the Winter Load Management Program (WLMP).

1.2 Program Goals

The primary goal of the SLMP is to reduce summer peak demand in the AEP Texas service territory in a cost-effective manner, in alignment with SB7 and Public Utility Commission of Texas (PUCT) regulations.

Additional goals include:

- Encouraging private sector delivery of energy demand savings during peak periods on the Electric Reliability Council of Texas (ERCOT) transmission and distribution system.
- Creating a streamlined program process to promote strong participation from Energy Efficiency Service Providers (EESPs).
- Minimizing the burden of measurement and verification through a simple Verification Process implemented by AEP Texas.

The primary goal of the WLMP is to reduce winter peak demand to support ERCOT during the winter peak season.

Additional goals include:

- Collecting data to inform and establish best practices for winter load management.
- Encouraging participation from a diverse range of entities.
- Streamlining program processes for ease of participation.
- Evaluating TRM calculations and exploring opportunities for a more comprehensive winter load management program.

1.3 Eligibility

1.3.1 Project Sponsor Eligibility

Any entity meeting the participation requirements that identifies Interruptible Load at a non-residential facility served by AEP Texas is eligible to participate in the SLMP and WLMP as a Project Sponsor.

Eligible Project Sponsors include:

- National or local energy efficiency service providers (EESPs) and aggregation groups
- Retail electricity providers (REPs)
- Non-residential customers with interruptible load at their own facilities

To ensure that incentive budgets are allocated to viable projects, all Project Sponsors must demonstrate a commitment to fulfilling SLMP and WLMP objectives, as well as competency in executing their proposed projects as part of the application process, project sponsors may be

required to submit documentation of their experience and qualifications. Detailed application requirements are outlined in Chapter 3.

1.3.2 Project Eligibility

A project site in the SLMP & WLMP is defined as a location with interruptible load capable of delivering estimated demand savings during the Summer/Winter Peak Demand Periods. Project Sponsors may include multiple project sites in their applications.

All projects must meet the following requirements:

- SLMP: Each project site must have a minimum of 10 kW in estimated demand savings.
- WLMP: Each project site must have a minimum of 100 kW in estimated demand savings.
- Projects may include multiple sites from one or more customers, provided that demand savings are measured using Interval Data Recorders (IDR) or Advanced Meters (AMI).

1.3.3 Interruptible Load Eligibility

The SLMP and WLMP do not prescribe specific types of eligible Interruptible Load, allowing Project Sponsors flexibility in designing their projects. However, all proposed Interruptible Load must meet the following criteria:

- Must be available and capable of producing demand savings through electrical consumption interruption during the SLMP and WLMP operating periods.
- Electric Service Agreements between customers and their Retail Electric Providers must not restrict or prevent load interruptions.
- Project Sponsors must verify that the Curtailable Load included in their application is not enrolled in any other demand response or Curtailable Load program (e.g., ERCOT, PUCT, or other programs).
 - Sponsors must notify AEP Texas within 15 business days of any changes in Curtailable Load status or enrollment in another program.
 - Failure to notify AEP Texas may result in termination of program participation.
 - This restriction does not prohibit future enrollment in other programs, but AEP Texas reserves the right to cancel participation if the same load is enrolled in a competing program

The following types of Interruptible Load are not eligible for SLMP and WLMP participation:

- Load that causes negative environmental or health effects (self-generation is allowed if compliant with applicable laws).
- AEP Texas critical load customers.
- Customers already participating in other load management programs, such as ERCOT's Emergency Response Service (ERS).
- Load curtailed due to operational inability.

Project incentives will be paid only for demand savings directly related to end-use equipment curtailed under the project.

Eligible Interruptible Load includes:

- Buildings and/or individual end-use equipment listed in the project application
- Equipment that consumes electric energy during the SLMP and WLMP operating periods

AEP Texas will consider all Interruptible Load that consumes electrical energy for participation in the SLMP and WLMP.

LM 2 Participation Process

Overview

This chapter outlines the process for participating in the Summer Load Management Program (SLMP) and Winter Load Management Program (WLMP), including required steps and documentation. AEP Texas reviews applications on a first-come, first-served basis. Applications will be accepted until all program funds are committed (see Chapter 7). Once funds are exhausted, additional applications will be placed on a waiting list. Projects on the waiting list will not carry over into the next program year.

2.1 Participation Phases

Participation involves five phases:

1. Application Submission
 - Project Sponsor submits an application for AEP Texas to review the proposed project for feasibility and to tentatively reserve incentive funding.
2. Agreement Execution
 - Project Sponsor enters into a **Standard Agreement** with AEP Texas.
3. Load Curtailment
 - Project Sponsor performs **Scheduled** (see Section 5.1) and **Unscheduled** (see Section 5.2) Interruptions when notified by AEP Texas.
4. Verification Process
 - AEP Texas verifies demand savings from Scheduled and Unscheduled Interruptions.
5. Performance Period Payment
 - AEP Texas issues payment to the Project Sponsor based on the verified demand savings.

2.2 Additional Program Information

2.2.1 Program Website

The Load Management Program website serves as the primary source for updated information and materials related to the SLMP and WLMP.

<https://aeptxsaves.com/commercial-programs/load-management/>

The website includes:

- Detailed information on program design and requirements
- Contact information for program support.
- Submittal forms for applications and documentation.
- The full Summer and Winter Load Management Manual.

2.2.2 Program Promotion and Outreach

AEP Texas will conduct outreach efforts to engage eligible program participants, including:

- Aggregation groups
- Retail Electric Providers (REPs)
- Non-residential customers with identified curtailable load.

These efforts aim to raise awareness and encourage participation in the SLMP and WLMP.

LM 3 Application

Overview

The first formal step for a Project Sponsor to participate in the Load Management Program is the submission of an application through the online database. By submitting the Application, the Project Sponsor requests AEP Texas to review the proposed project and, if approved, reserve incentive funding based on the estimated demand savings.

Applications are submitted via the following online portals:

- <https://www.ecurtail.com/AEP/TCC/> ESIID begins with - 100327894
- <https://www.ecurtail.com/AEP/TNC/> ESI ID begins with - 102040497.....

Applications will be reviewed on a first-come, first-served basis until all incentive funding is committed.

Project Sponsor Information

All Project Sponsors must provide AEP Texas with the following information:

- Company description
- List of employees responsible for project operation and notifications
- Taxpayer Identification Number (for incentive payment processing)

3.1 Project Information

Project Sponsors must submit detailed information about the scope of their proposed project(s), including:

- 1. Customer Information** For each customer included in the project, provide:
 - Customer name
 - Customer address
 - Business description
 - Site address
 - Site contact name(s), phone number, and e-mail address (Used for advance notification of interruptions)
- 2. Distribution Account Number (ESIID)** This 17-digit number is found on the customers electric bill. Eligible ESI IDs must begin with:
 - 100327894 (AEP Texas Central)
 - 1002040497 (AEP Texas North)
- 3. Site Profile(s)** A profile must be completed for each customer site and include:
 - Estimated demand savings
 - Building type(s)
 - Operating schedules
 - Any additional relevant site information
- 4. Management Plan** – Description of the project's design, implementation, operation, and management.

5. Interruptible Load Description – Include:

- Description of Interruptible Load and curtailment processes
- Estimated kW reduction for each site during a one-hour peak demand interruption.

6. Project Sponsor Contact Information – Provide phone numbers and email addresses for one or more representatives responsible for project implementation. This contact information will be used by AEP Texas to notify the Project Sponsor of required interruptions. Any changes to this information must be submitted to AEP Texas at least two business days before the new contact information takes effect.

7. Customer Agreement - Required from:

Customers contracting with a Project Sponsor

Customers acting as their own Project Sponsor

The agreement must be submitted within 15 calendar days of the electronic Application submission.

8. Supporting Documentation - Project Sponsors may submit additional documentation deemed relevant to the project.

AEP Texas will evaluate the feasibility of the proposed interruptible load and the accuracy of estimated demand savings. AEP Texas may request clarification or additional information. Project Sponsors must respond promptly. Failure to respond may result in discontinuation of program participation eligibility.

3.2 Electronic Submittal

Applications must be submitted electronically through the Online Database.

Registration can be completed at:

<https://www.ecurtail.com/AEP/TCC/> - ESIID begins with - 100327894

<https://www.ecurtail.com/AEP/TNC/> - ESI ID begins with - 102040497.....

3.3 Hardcopy Submittal

AEP Texas requires a hard copy of the Standard Offer Program Customer Agreement. Below is a summary of how and where to obtain and submit program materials.

Material	Mechanism	Address or location
Obtain Enrollment Material	Website/Database	https://www.aeptxsaves.com/commercial-programs/load-management
Submit Application and all required supporting documents that are amenable to electronic submittal	Database	https://www.ecurtail.com/AEP/TC/ ESIID begins with - 100327894 https://www.ecurtail.com/AEP/TC/ ESI ID begins with - 102040497.....
SLMP and WLMP Program Agreement	DocuSign	DocuSign email
SLMP and WLMP Customer Agreement	Mail/Email	AEP Texas – LM SOP Attn: Jacob Dutton 910 Energy Dr, 01 Abilene, TX 79602-7945
Program Questions or Contact Program Manager	Email	jdutton@aep.com

3.4 Confidentiality

The SLMP and WLMP are subject to oversight by the Public Utility Commission of Texas (PUCT), which may request access to any program materials submitted to AEP Texas. Sensitive company and project information provided by the Project Sponsor will be treated as confidential to the extent possible.

However, AEP Texas assumes no liability for public disclosure of any information submitted by Project Sponsors.

3.5 Submission of False Information

AEP Texas reserves the right to discontinue evaluation of any submittals and terminate all Agreements with a Project Sponsor if information submitted is false, misleading, or incorrect.

LM 4

Standard Agreement

Overview

Once an Application is approved, AEP Texas will send the Standard Agreement electronically via DocuSign for execution. A sample agreement is included in Appendix A.

The terms of the Standard Agreement are non-negotiable, unless unique circumstances require revisions – at the sole discretion of AEP Texas. The approved Application will be attached to the Standard Agreement and will become a legally binding part of the contract. Once an application has been approved, AEP Texas will send electronically (through DocuSign) for execution the Standard Agreement which will be similar to the sample attached as Appendix A to this manual.

Project Sponsor Responsibilities

Upon signing the Standard Agreement, the Project Sponsor is obligated to:

- Perform a Scheduled Interruption to verify the customer's ability to deliver kW savings.
 - The contract amount will be based on the average performance during the unscheduled Interruptions.
 - If no Unscheduled Interruptions occur, the average verified savings from the Scheduled events will be used to calculate the Incentive Payment.
- SLMP Requirements:
 - Monitor projects during Scheduled and Unscheduled Interruptions.
 - Maintain a minimum one-hour duration for each event.
- WLMP Requirements
 - Monitor projects during Scheduled and Unscheduled Interruptions.
 - Maintain a maximum four-hour duration for each event.

AEP Texas Responsibilities

AEP Texas will:

- Conduct the Verification Process to measure demand savings using available meter data after each interruption.
- Issue the Performance Period Payment based on the verified demand savings after the Performance Period concludes.

LM 5 Interruptions

Overview

Interruptions are the core mechanism for achieving demand savings in both SLMP and WLMP. AEP Texas will notify Project Sponsors 30 minutes in advance of any Scheduled or Unscheduled Interruption.

Summer Load Management (SLMP)

To support peak demand reduction during summer months, AEP Texas offers three interruption options:

Option	Unscheduled Interruptions Limit per Performance Period
A	Up to 12
B	Up to 12
C	Up to 8

* Option C limited to Cotton Gins

Winter Load Management (WLMP)

To support grid reliability during winter months, WLMP participants must be available for:

Option	Unscheduled Interruptions Limit per Performance Period
A	Up to 4

5.1 Scheduled Interruption

Both SLMP and WLMP include one Scheduled Interruption at the beginning of the Performance Period:

- SLMP: Scheduled in June
- WLMP: Scheduled in December
- Duration: One hour
- Notification: 30-minute advance notice

If no Unscheduled Interruptions occur during the Program Period, the Scheduled Interruption will be used to determine the Incentive Payment.

5.2 Unscheduled Interruptions

Summer Load Management

The SLMP requires program participants to participate in one of the three (3) available options: Option A, Option B, or Option C. An Unscheduled Interruption may occur upon request by AEP Texas. AEP Texas will notify Project Sponsors with only 30-minutes advance notice of the start-time for the interruption.

Start Times: Between 1:00 p.m. and 6:00 p.m. Central Daylight Time. (CDT)

End Times: Between 2:00 p.m. and 7:00 p.m. CDT

Option	Minimum Duration	Maximum Duration
A	1 hour	4 hours
B	1 hour	2 hours
C	1 hour	2 hours

* Option C limited to Cotton Gins

Winter Load Management

An Unscheduled Interruption will occur upon request by AEP Texas. AEP Texas will notify Project Sponsors of an Unscheduled Interruption with only 30-minutes advance notice of the start-time for the interruption.

The duration of an Unscheduled Interruption will be up to a maximum of four (4) hours. There will be up to a maximum four (4) Unscheduled Interruptions during the Program Operating Period.

LM 6 Verification Process

Overview

AEP Texas will conduct a Verification Process following each Scheduled and Unscheduled Interruption. Demand savings and incentive payments will be based on the average actual verified demand reduction.

AEP Texas will:

- Review usage data for each project site.
- Establish the baseline using protocols defined in the Texas Technical Reference Manual (TRM):
 - TRM Version 13.0, Volume 4 Measurement and Verification Protocols

Site-Level Performance Requirement

To maintain the integrity and effectiveness of the Program, each enrolled site is expected to achieve a minimum of 50% of the proposed curtailable load during both Scheduled and Unscheduled Interruptions.

Failure to meet this threshold will result in the site being deemed ineligible for participation in subsequent program periods. This policy ensures that program resources are directed toward sites that consistently contribute to overall demand savings and grid reliability.

Exceptions may be considered on a case-by-case basis if the site can demonstrate extenuating circumstances or provide a corrective action plan approved by program staff.



Incentive Payments

Overview

AEP Texas will issue Performance Period Payments to Project Sponsors:

- SLMP: By or before November 2026
- WLMP: By or before April 2026

If a Project Sponsor does not achieve the demand savings proposed in their Application, payment will be based on the Verified Demand Savings achieved during the Performance Period

Incentive payments are contingent upon AEP Texas receiving all required notices, submittals and materials within the timeframes specified in the Agreement. Failure to meet these deadlines will be considered a material breach of the Agreement.

If Verified Demand Savings differ from the estimates in the Application:

- IDR data collected by AEP Texas will take precedence.
- If Verified Demand Savings are lower, reserved incentives may be adjusted and excess funds returned to the program budget.
- If Verified Demand Savings are higher, payments will be based on the original Application estimate unless AEP Texas, at its sole discretion, allows an upward adjustment.

7.1 Available Budget

Summer Load Management

- Central Area (ESI ID begins with 100327894):
 - Budget: \$650,700
- North Area (ESI ID begins with 102040497):
 - Budget: \$87,000

Winter Load Management

- Budget: \$500,000

7.2 Incentives

Summer Load Management Incentive Rates

The applicable Incentive Rates and cap on Demand Savings for the AEP Texas SLMP are as follows:

Central ESIID begins with - **100327894**

Capacity Interruption Incentive Rate per kW (\$/kW)

Option*	Performance Period Payment Incentive Rate	Demand Savings Cap	Capacity Payment Cap
A	\$35.00/kW	3,718 kW	\$130,140
B	\$25.00/kW	5,205 kW	\$130,140
C	\$20.00/kW	6,507 kW	\$130,140

*Option C limited to Cotton Gins.

North ESI ID begins with - **102040497**

Capacity Interruption Incentive Rate per kW (\$/kW)

Option*	Performance Period Payment Incentive Rate	Demand Savings Cap	Capacity Payment Cap
A	\$35.00/kW	498 kW	\$17,400
B	\$25.00/kW	696 kW	\$17,400
C	\$20.00/kW	870 kW	\$17,400

*Option C limited to Cotton Gins.

Winter Load Management Incentive Rate - \$35/kW.

- For WLMP, a Project Sponsor may be limited to:
 - 20% of the WLMP Budget Cap: \$100,000

7.3 Payments

All Verification Process activities must be completed before the Project Sponsor receives the Performance Period Payment. AEP Texas will make the Performance Period Payment on or before **November** for the SLMP and **April** for the WLMP at the conclusion of the Performance Period and after AEP Texas' approval of the IDR/AMI data for the Program Period.

The amount of the Performance Period Payment shall be calculated using the following formula:

Equation 1.2:

$\text{Performance Period Payment (\$)} = \text{Performance Period Payment Incentive Rate} \times \text{Verified Demand kW Savings}^*$
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If no Unscheduled Interruptions are performed, the Performance Period Payment will be calculated by multiplying the verified kW savings of the Scheduled Interruption by the applicable Performance Period Payment Incentive Rate.

***NOTE:** AEP Texas will not be obligated to pay a Project Sponsor for Verified Demand Savings that exceed the amount of Estimated Demand Savings proposed in the Project Sponsor's Application. However, if allowed by the SLMP and WLMP budget, and at AEP Texas' sole discretion, AEP Texas may allow a Project Sponsor to revise its estimate of proposed Demand Savings and then pay a Project Sponsor based on this revised estimate.