

Semi-Annual Servicer's Certificate

AEP Texas Inc., as Servicer
 AEP Texas Central Transition Funding III LLC

Pursuant to Section 4.01(c)(ii) of the Transition Property Servicing Agreement dated as of March 14, 2012 (the "Agreement") between AEP Texas Inc., as Servicer and AEP Texas Central Transition Funding III LLC as Note Issuer, the Servicer does hereby certify as follows.

Capitalized terms used herein have their respective meanings as set forth in the Agreement. References herein to certain sections and subsections are references to the respective sections of the Agreement.

Collection Periods: June-2019 to November-2019

Payment Date: 12/2/19

1. Collections Allocable and Aggregate Amounts Available for the Current Payment Date:

i.	Remittances for the 06/19 collection period (1)	5,016,429.54
ii.	Remittances for the 07/19 collection period	7,086,822.54
iii.	Remittances for the 08/19 collection period	6,723,307.40
iv.	Remittances for the 09/19 collection period	7,853,053.99
v.	Remittances for the 10/19 collection period	7,001,432.42
vi.	Remittances for the 11/19 collection period (2)	6,429,850.35
vii.	Investment Earnings on Collection Account	
viii.	Investment Earnings on Capital Subaccount	42,805.55
ix.	Investment Earnings on Excess Funds Subaccount	19,335.23
x.	Investment Earnings on General Subaccount	188,845.24
xi.	General Subaccount Balance (sum of i through x above)	40,361,882.26
xii.	Excess Funds Subaccount Balance as of Prior Payment Date	1,400,764.01
xiii.	Capital Subaccount Balance as of Prior Payment Date	4,000,000.00
xiv.	Collection Account Balance (sum of xi through xiii above)	45,762,646.27

(1) Includes amounts calculated for the Reconciliation Period for the prior Collection Period, which was settled in June-2019

(2) Does not include the reconciliation amounts calculated for the Reconciliation Period for such Collection Period, which will be settled in the month following such Collection Period

2. Outstanding Amounts as of Prior Payment Date:

<u>Tranche</u>	
i. Tranche A-1 Outstanding Amount	0.00
ii. Tranche A-2 Outstanding Amount	63,644,740.00
iii. Tranche A-3 Outstanding Amount	311,900,000.00
iv. Aggregate Outstanding Amount of all Tranches of Notes	375,544,740.00

3. Required Funding/Payments as of Current Payment Date:

<u>Tranche</u>	<u>Principal Due</u>
i. Tranche A-1	0.00
ii. Tranche A-2	34,932,286.00
iii. Tranche A-3	0.00
iv. For all Tranches of Notes	34,932,286.00

<u>Interest Tranche</u>	<u>Interest Rate</u>	<u>Days in Interest Period(1)</u>	<u>Principal Balance</u>	<u>Interest Due</u>
v. Tranche A-1	0.8801%	180	0.00	0.00
vi. Tranche A-2	1.9764%	180	63,644,740.00	628,937.32
vii. Tranche A-3	2.8449%	180	311,900,000.00	4,436,621.55
viii. For all Tranches of Notes				5,065,558.87

	<u>Required Level</u>	<u>Funding Required</u>
ix. Capital Subaccount	4,000,000.00	0.00
	4,000,000.00	0.00

Notes:

(1) On 30/360 day basis for initial payment date, otherwise use one-half of annual rate

4. Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture:

i. Trustee Fees and Expenses	10,486.31
ii. Servicing Fee	200,000.00
iii. Administration Fee	50,000.00
iv. Operating Expenses	0.00
v. Semi-Annual Interest (including any past-due for prior periods)	5,065,558.87

<u>Interest Tranche</u>	<u>Per \$1000 of Original</u>	
	<u>Aggregate</u>	<u>Principal Amount</u>
1. Tranche A-1 Interest Payment	0.00	\$0.00
2. Tranche A-2 Interest Payment	628,937.32	\$3.49
3. Tranche A-3 Interest Payment	4,436,621.55	\$14.22
	5,065,558.87	

vi. Principal Due and Payable as a Result of Event of Default or on Final Maturity Date 0.00

<u>Interest Tranche</u>	<u>Per \$1000 of Original</u>	
	<u>Aggregate</u>	<u>Principal Amount</u>
1. Tranche A-1 Principal Payment	0.00	\$0.00
2. Tranche A-2 Principal Payment	0.00	\$0.00
3. Tranche A-3 Principal Payment	0.00	\$0.00
	0.00	

vii. Semi-Annual Principal 34,932,286.00

<u>Interest Tranche</u>	<u>Per \$1000 of Original</u>	
	<u>Aggregate</u>	<u>Principal Amount</u>
1. Tranche A-1 Principal Payment	0.00	\$0.00
2. Tranche A-2 Principal Payment	34,932,286.00	\$193.85
3. Tranche A-3 Principal Payment	0.00	\$0.00
	34,932,286.00	

4. Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture (continued):

viii. Funding of Capital Subaccount (to required level)	4,000,000.00
ix. Investment Earnings on Capital Subaccount Released to Note Issuer	42,805.55
x. Deposit to Excess Funds Subaccount	1,461,509.54
xi. Released to Note Issuer upon Retirement of all Notes	0.00
xii. Aggregate Remittances as of Current Payment Date	45,762,646.27

5. Outstanding Amount and Collection Account Balance as of Current Payment Date (after giving effect to payments to be made on such Payment Date):

<i>Tranche</i>	
i. Tranche A-1 Outstanding Amount	0.00
ii. Tranche A-2 Outstanding Amount	28,712,454.00
iii. Tranche A-3 Outstanding Amount	311,900,000.00
iv. Aggregate Outstanding Amount of all Tranches of Notes	340,612,454.00
v. Excess Funds Subaccount Balance	1,461,509.54
vi. Capital Subaccount Balance	4,000,000.00
vii. Aggregate Collection Account Balance	5,461,509.54

6. Subaccount Withdrawals as of Current Payment Date (if applicable, pursuant to Section 8.02(e) of Indenture):

i. Excess Funds Subaccount	1,420,099.24
ii. Capital Subaccount	4,042,805.55
iii. Total Withdrawals	5,462,904.79

7. Shortfalls in Interest and Principal Payments as of Current Payment Date:

0.00

i. Semi-annual Interest

Tranche

1. Tranche A-1 Interest Payment	0.00
2. Tranche A-2 Interest Payment	0.00
3. Tranche A-3 Interest Payment	0.00
	0.00

ii. Semi-annual Principal

Tranche

1. Tranche A-1 Principal Payment	0.00
2. Tranche A-2 Principal Payment	0.00
3. Tranche A-3 Principal Payment	0.00
	0.00

8. Shortfalls in Required Subaccount Levels as of Current Payment Date:

i. Capital Subaccount

0.00

IN WITNESS HEREOF, the undersigned has duly executed and delivered this Semi-Annual

Servicer's Certificate this 2nd day of December, 2019.

AEP TEXAS Inc., as Servicer

By: Renee V Hawkins

Title: Assistant Treasurer