

SPP
Notification to Construct

January 13, 2010

SPP-NTC- 20067

Mr. Noman Williams
Mid-Kansas Electric Company
301 W. 13th Street
Hays, KS 67601

RE: Notification to Construct for Transmission Service request resulting from Aggregate Transmission Service Study SPP-2007-AG3-AFS-9

Dear Mr. Williams,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. (“SPP”) Membership Agreement and Attachment O, Section VIII, of the SPP Open Access Transmission Tariff (“OATT”), SPP provides this Notification to Construct (“NTC”) directing Mid-Kansas Electric Company, as the Designated Transmission Owner, to construct the Network Upgrades.

Southwest Power Pool has filed Service Agreement FERC Docket ER10-338, ER10-339, ER10-197, ER10-196 for Transmission Service for customers in SPP-2007-AG3-AFS-9. In the facility study conducted in the assessment of these requests, SPP concluded that system upgrades are required on the Mid-Kansas Electric Company system as detailed in Aggregate Facility Study SPP-2007-AG3-AFS-9.

New Network Upgrades

Project ID: 903

Project Name: CLIFTON - GREENLEAF 115KV CKT 1

RTO Determined Need Date for Project: 6/1/2011

Estimated In Service Date: 6/1/2013

Network Upgrade ID: 11200

Network Upgrade Description: Rebuild 14.4 miles

Categorization: Service Upgrade

Network Upgrade Specifications: All elements must have at least an emergency rating of 239 MVA, but is not limited to that amount.

Network Upgrade Justifications: SPP-2007-AG3-AFS-9

Estimated Cost for Network Upgrade: \$3,600,000

Source of Funding for Network Upgrade: Base Plan Funding and Point-to-Point Base Rate

Estimated Cost Source: MKEC

Date of Estimated Cost: 1/1/2008

Project ID: 904

Project Name: FLATRDG3 138.00 - MEDICINE LODGE 138KV CKT 1

RTO Determined Need Date for Project: 1/1/2010

Estimated In Service Date: 6/1/2013

Network Upgrade ID: 11201

Network Upgrade Description: Rebuild 8.05 mile line

Categorization: Service Upgrade

Network Upgrade Specifications: All elements must have at least an emergency rating of 286 MVA, but is not limited to that amount.

Network Upgrade Justifications: SPP-2007-AG3-AFS-9

Estimated Cost for Network Upgrade: \$2,012,500

Source of Funding for Network Upgrade: Partial Base Plan Funding

Estimated Cost Source: MKEC

Date of Estimated Cost: 1/1/2008

Project ID: 905

Project Name: FLATRDG3 138.00 - HARPER 138KV CKT 1

RTO Determined Need Date for Project: 1/1/2010

Estimated In Service Date: 6/1/2013

Network Upgrade ID: 11202

Network Upgrade Description: Rebuild 24.15 mile line

Categorization: Service Upgrade

Network Upgrade Specifications: All elements must have at least an emergency rating of 286 MVA, but is not limited to that amount.

Network Upgrade Justifications: SPP-2007-AG3-AFS-9

Estimated Cost for Network Upgrade: \$6,037,500

Source of Funding for Network Upgrade: Partial Base Plan Funding

Estimated Cost Source: MKEC

Date of Estimated Cost: 1/1/2008

Project ID: 906

Project Name: MEDICINE LODGE - PRATT 115KV CKT 1

RTO Determined Need Date for Project: 1/1/2010

Estimated In Service Date: 6/1/2013

Network Upgrade ID: 11203

Network Upgrade Description: Rebuild 26 mile line

Categorization: Service Upgrade

Network Upgrade Specifications: All elements must have at least an emergency rating of 198 MVA, but is not limited to that amount.

Network Upgrade Justifications: SPP-2007-AG3-AFS-9

Estimated Cost for Network Upgrade: \$6,500,000
Source of Funding for Network Upgrade: Partial Base Plan Funding
Estimated Cost Source: MKEC
Date of Estimated Cost: 1/1/2008

Project ID: 30211
Project Name: MEDICINE LODGE 138/115KV TRANSFORMER CKT 1 Accelerated
RTO Determined Need Date for Project: 1/1/2010
Estimated In Service Date: 6/1/2013

Network Upgrade ID: 10994
Network Upgrade Description: Upgrade transformer
Categorization: Service Upgrade
Network Upgrade Specifications: All elements must have at least an emergency rating of 250 MVA, but is not limited to that amount.
Network Upgrade Justifications: SPP-2007-AG3-AFS-9
Estimated Cost for Network Upgrade: \$5,625,000
Source of Funding for Network Upgrade: Partial Base Plan Funding
Estimated Cost Source: MKEC
Date of Estimated Cost: 1/1/2008

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this Notification to Construct, pursuant to Attachment O, Section VIII.6 of the SPP Open Access Transmission Tariff, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

Notification of Commercial Operation

Please submit a notification of commercial operation for each listed Network Upgrade to SPP at the email address of SPPprojecttracking@spp.org as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

Mitigation Plan

The Need Date or Estimated In-Service Date represents the timing required for the Network Upgrade(s) to address the identified need. Your prompt attention is required to formulation and approval of any necessary mitigation plans for the Network Upgrade(s) included in the Network Upgrades(s) if the Need Date or Estimated In-Service Date is not feasible. Additionally, if it is anticipated that the completion of any Network Upgrade will be delayed past the Need Date or Estimated In-Service Date, SPP requires a mitigation plan be filed within 60 days of determination of expected delays.

Notification of Progress

On an ongoing basis, please keep SPP advised of any ability on Mid-Kansas Electric Company's part to complete the approved Network Upgrade(s). For project tracking, SPP requires Mid-Kansas Electric Company to submit updates on the status of the Network Upgrade(s) on a quarterly basis in conjunction with the SPP Board of Directors meetings. However consistent with Section 20.1 and 32.10 of the SPP Tariff, Mid-Kansas Electric Company shall also advise SPP of any inability to comply with the Project Schedule as the inability becomes apparent. All terms and conditions of the SPP OATT and the membership Agreement shall apply to this Project and nothing in this letter shall carry such terms and conditions.

Don't hesitate to contact me if you have questions or comments about these requests. Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,



John Mills

Manager, Tariff Studies

Phone (501) 614-3356 • Fax: (501) 666-0376 • jmills@spp.org

cc: Carl Monroe, Les Dillahunty, Bruce Rew, Pat Bourne, Jay Caspary,
SPPprojecttracking@spp.org, Steve Ferry, Mark Worf, Clarence Stuppes, Bill Dowling,
Joe Taylor, Paul Stone, Grant Wilkerson