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August 14, 2007

Mr. Carl Monroe  
Sr. Vice President and Chief Operating Officer  
Southwest Power Pool  
415 North McKinley  
Suite 800  
Little Rock, AR 72205-3020

Dear Carl:

Please accept this letter as an official request to include the project described below in the Southwest Power Pool Transmission Expansion Plan ("STEP").

**Project description:** Addition of a 345 kV double circuit transmission line from the newly proposed 345 kV Comanche switchyard in Kansas, terminating in a new 345 kV switchyard at Western Farmer's Electric Cooperative's Mooreland Substation, addition of a 345 kV transmission line from the new Mooreland 345 kV switchyard, terminating in Oklahoma Gas & Electric's Northwest 345 kV switchyard, referred to as the "Project". The line length for the Project is presently estimated at 200 miles, assuming two separate circuits from Comanche to Mooreland. A current initial estimate places the cost of the Projects at approximately \$180 million, assuming 345 kV construction. However, ITC Great Plains will work with SPP to construct this project at 765 kV where prudent to do so. In addition, the current initial cost estimate is preliminary and likely will be adjusted based on the completion of detailed engineering design and future actual cost of material, labor, and other expenses.

ITC Great Plains believes this request to include the Project in the STEP illustrates its interest and commitment to the Project. ITC Great Plains hereby expresses its commitment to fund, construct, own and operate the Project upon and subject to the receipt of all appropriate regulatory approvals, including successful inclusion of the

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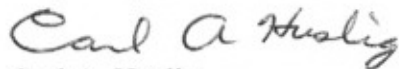
Projects in the STEP, certificate and siting approvals from the appropriate state commissions, appropriate ITC Great Plains transmission rate and other approvals from the Federal Energy Regulatory Commission ("FERC"), and any other appropriate regulatory approvals.

Subject to the completion of detailed engineering design, the Project is expected to be rated at a minimum of 1200 MVA with terminal equipment at 3000 amperes. ITC Great Plains will utilize its strategic partners to engineer and maintain the project. The primary partners on the project are anticipated to be Black & Veatch and Asplundh. The vendors for equipment and construction will be determined based on a competitive bid process.

ITC Great Plains expects to be compensated for electric transmission service provided over facilities constructed as part of the Project through an open access transmission tariff service rate, which must be approved by the FERC. That rate would be based on ITC Great Plains transmission-related costs and investments and is expected to be included in the tariff administered by SPP, which would functionally control those facilities as the regional transmission organization. ITC Great Plains understands that this Project would be eligible for any SPP-adopted or other FERC-approved regional cost allocation methodology for economic projects in SPP. ITC Great Plains anticipates constructing the Project using a combination of debt financing, which it anticipates raising through access to debt capital markets, and equity. By comparison, ITC Great Plains' parent company, ITC Holdings Corp., and both of its operating utility affiliates *ITC Transmission* and Michigan Electric Transmission Company LLC, all maintain investment grade credit ratings from both Standard and Poor's and Moody's credit services.

It is ITC Great Plains' present intention to place the Project in service in late 2012 if all regulatory and siting approvals are obtained in a timely manner. Please advise of SPP's disposition of this matter as soon as practicable. We look forward to working with you on this most important regional project.

Very Truly Yours,



Carl A. Huslig  
President  
ITC Great Plains