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John E. Mills
Manager, Tariff Studies

January 10, 2008

Mr. Richard McCord
Empire District Electric Company
P.O. Box 127
Joplin, MO 64802

RE: Transmission System Upgrade Authorization for Transmission Service Requests 973355, 973373, 974637, and 1055293

Dear Mr. McCord:

Southwest Power Pool has filed a Service Agreement for Network Integration Transmission Service executed by Empire District Electric Company (EDE), Kansas Power Pool, and Kansas Municipal Energy Agency for the above noted transmission service requests. In the facility study conducted in the assessment of these requests, SPP concluded that system upgrades are required on the EDE transmission system as detailed in Aggregate Facility Study SPP-2005-AG2-AFS-3 and SPP-2006-AG2-AFS-4.

SPP authorizes EDE to construct the following network upgrades required for this transmission service request:

1. Reconductor Oronogo Jct to Riverton 161kV Ckt. 1 with bundled 556 ACSR required by June 1, 2011.
2. Replace 75MVA auto transformer at Oronogo Jct with a 150MVA auto transformer and install a 69kV circuit breaker required by June 1, 2011.

Consistent with Section 20.1 of the SPP Tariff, SPP needs to be advised of any inability on EDE's part to complete the upgrades in time to provide the committed service. Provide SPP with the initial construction schedule and estimated cost to support the required upgrades noted above within 30 days of receipt of this Transmission System Upgrade Authorization letter. Provide SPP with quarterly updates to this schedule which shall include the cost expended to date. Email this information to SppProjectTracking@spp.org

EDE shall also submit to the same email address a certification of commercial operation of each of the listed Network Upgrades to SPP as soon as the upgrades are completed and in service. Please provide SPP with the actual costs of these upgrades as soon as possible after the completion of construction. This will permit SPP to true up billing to actual costs on a timely basis.

Don't hesitate to contact me if you have questions.
Sincerely,

A handwritten signature in blue ink that reads 'John E. Mills'.

John E. Mills
Manager, Tariff Studies

cc: P. Bourne, L. Dillahunty, J. Caspary, J. Rooker, S. Vandiver, V. Simha