



April 22, 2008

Les Dillahunty
Southwest Power Pool
Vice President, Regulatory Policy
415 North McKinley, #140 Plaza West
Little Rock, AR 72205

Mr. Dillahunty. *Les*

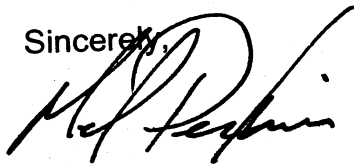
Pursuant to its letter dated November 8, 2007 (copy attached), OG&E committed to build, own, and operate a new 345kV transmission line between OG&E's Northwest and Woodward District substation, subject to obtaining all necessary state and federal approvals. Subject to those same conditions, OG&E, by way of this letter, commits to construction of this line as a 'Sponsored Upgrade', with the cost directly assigned to OG&E, recognizing that OG&E will be eligible for Transmission Service Credits when additional transmission service that impacts this line is sold by the SPP. In making this commitment, OG&E will continue to be bound by the SPP OATT and changes thereto that specifically effect approval and funding.

As previously discussed with Jay Caspary, this line will be constructed for initial single-circuit, 3000 amp capability, with ultimate development to double-circuit 345kV operation in the same rights-of-way, if needed in the future. OG&E expects to have these facilities in-service by early 2010. This line supports the recommendations included in the Oklahoma Electric Power Transmission Task Force study, as well as the *SPP EHV Study Update*, dated March 2, 2008."

OG&E plans to file an application at the Oklahoma Corporation Commission ("OCC") for pre-approval of the costs associated with this 345kV line and approval of that application in a form satisfactory to OG&E management and Board of Directors is a condition to this commitment. We respectfully ask the SPP to expedite its study process related to this line in order that we can maintain the early 2010 in-service date. The expedited study and approval by the SPP Board of Directors will help ensure that this important "first step" of SPP transmission expansion is built in a time-frame which jump-starts wind generation projects in western Oklahoma.

Please acknowledge receipt of OG&E's request to construct the facilities described above. OG&E looks forward to the continued development of projects identified by the SPP Transmission Expansion Planning process.

Sincerely,

A handwritten signature in black ink, appearing to read "Mel Perkins". The signature is written in a cursive style with a large, looped initial "M".

Mel Perkins,
Vice-President, Power Delivery
Oklahoma Gas and Electric Company

Attachment: OG&E commitment letter, November 8, 2007



November 8, 2007

Mr. Jay Caspary
Southwest Power Pool
Director, Transmission Planning
415 North McKinley, #140 Plaza West
Little Rock, AR 72205

Mr. Caspary:

Please be advised that Oklahoma Gas and Electric Company (OG&E) commits to immediately begin preliminary design of a new transmission line from OG&E's Northwest Sub in Oklahoma City to OG&E's Woodward District substation in Woodward OK. We assume that SPP will determine the number of circuits and ultimate design voltage of the requisite facilities. Assuming 345 kV line construction, OG&E would expect to have these facilities in-service by 2010. If, upon the determination of SPP, a voltage higher than 345 kV is preferable, please advise.

OG&E commits to the contemplated facilities subject to obtaining all necessary state and federal approvals, and subject to OG&E determination that the project will be eligible for adequate cost recovery. In making this commitment, OG&E will continue to be bound by the SPP OATT and changes thereto that specifically effect approval and funding. Please acknowledge receipt of OG&E's request to construct the facilities described above.

OG&E looks forward to the continued development of projects identified by the SPP Transmission Expansion Planning process.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mel Perkins", is written over the word "Sincerely,".

Mel Perkins,
Vice-President, Power Delivery
Oklahoma Gas and Electric Company