

SPP
Notification to Construct

March 31, 2010

SPP-NTC- 20089

Mr. Bill Dowling
Midwest Energy, Inc.
1330 Canterbury Dr.
Hays, KS 67601

RE: Notification to Construct for Transmission Service request resulting from Aggregate Transmission Service Study SPP-2007-AG1-AFS-12

Dear Mr. Dowling,

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 Midwest Energy, Inc., as the Designated Transmission Owner, to construct the Network Upgrades.

Southwest Power Pool has filed Service Agreement FERC Docket ER09-1397 for Transmission Service for customers in SPP-2007-AG1-AFS-12. In the facility study conducted in the assessment of these requests, SPP concluded that system upgrades are required on the Midwest Energy, Inc. system as detailed in Aggregate Facility Study SPP-2007-AG1-AFS-12.

New Network Upgrades

Project ID: 912

Project Name: NORTH ELLINWOOD 69KV SUBSTATION

RTO Determined Need Date for Project: 6/1/2009

Estimated In Service Date: 1/1/2011

Estimated Cost for Project: \$1,680,000

Network Upgrade ID: 11209

Network Upgrade Description: Tap the College - South Ellinwood 69kV line and install a new North Ellinwood substation.

Categorization: Service Upgrade

Network Upgrade Justifications: SPP-2007-AG1-AFS-12

Estimated Cost for Network Upgrade: \$825,000

Source of Funding for Network Upgrade: Full Base Plan Funding

Estimated Cost Source: MIDW

Date of Estimated Cost: 1/28/2010

Project ID: 912

Project Name: NORTH ELLINWOOD 69/34.5KV TRANSFORMER CKT 1

RTO Determined Need Date for Project: 6/1/2009

Estimated In Service Date: 1/1/2011

Estimated Cost for Project: \$1,680,000

Network Upgrade ID: 11210

Network Upgrade Description: Install a new 69/34.5kV transformer at North Ellinwood.

Categorization: Service Upgrade

Network Upgrade Justifications: SPP-2007-AG1-AFS-12

Estimated Cost for Network Upgrade: \$530,000

Source of Funding for Network Upgrade: Full Base Plan Funding

Estimated Cost Source: MIDW

Date of Estimated Cost: 1/28/2010

Project ID: 912

Project Name: NORTH ELLINWOOD - CITY OF ELLINWOOD 34.5KV CKT 1

RTO Determined Need Date for Project: 6/1/2009

Estimated In Service Date: 1/1/2011

Estimated Cost for Project: \$1,680,000

Network Upgrade ID: 11211

Network Upgrade Description: Build approximately 4.5 miles of new 34.5kV line with 477 ACSR from North Ellinwood to interconnect near the City of Ellinwood.

Categorization: Service Upgrade

Network Upgrade Justifications: SPP-2007-AG1-AFS-12

Estimated Cost for Network Upgrade: \$325,000

Source of Funding for Network Upgrade: Full Base Plan Funding

Estimated Cost Source: MIDW

Date of Estimated Cost: 1/28/2010

Withdrawal of Upgrades

Previous NTC Number: 20052

Previous NTC Issue Date: 9/18/2009

Project ID: 30219

Project Name: ELLINWOOD - RICE COUNTY 34.5KV CKT 1

RTO Determined Need Date for Project: 6/1/2010

Estimated In Service Date: 6/1/2010

Estimated Cost for Project: \$2,270,000

Network Upgrade ID: 50223

Network Upgrade Description: Rebuild approximately 14.5 miles of 34.5 kV line between Rice County and Ellinwood to achieve a minimum 600 amp emergency rating

Reason For Change: Upgrade replaced with 69 kV solution per request of MIDW and SPP evaluation.

Categorization: Service Upgrade

Network Upgrade Specifications:

Network Upgrade Justifications: SPP-2007-AG1-AFS-12

Source of Funding for Network Upgrade: Full Base Plan Funding

Estimated Cost Source: MIDW

Date of Estimated Cost: 1/1/2009

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 Midwest Energy, Inc.'s part to complete the approved Network Upgrade(s). For project tracking, SPP requires Midwest Energy, Inc. 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, Midwest Energy, Inc. 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 plan 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, Ray Harold, Ernie Lemon, Colin Whitley, Mark Loveless