SPP
Notification to Construct

February 8, 2010                   SPP-NTC-20075

Mr. Sam McGarrah
Empire District Electric Company
PO Box 127
Joplin, MO 64802

RE: Notification to Construct Approved Reliability Network Upgrades

Dear Mr. McGarrah,

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 Empire District Electric Company, as the Designated Transmission Owner, to construct the Network Upgrade(s).

On January 26, 2010, the Southwest Power Pool (“SPP”) Board of Directors approved the Network Upgrade(s) listed below to be constructed.

Upgrades with Modifications

Previous NTC number: 20036
Previous NTC Issue Date: 1/27/2009
Project ID: 203
Project Name: Line - Sub 109 Atlas Jct. - Sub 108 Carthage Northwest 69 kV
Need Date for Project: 6/1/2017
Estimated Cost for Project: $1,277,935

Network Upgrade ID: 10259
Network Upgrade Description: Reconductor 3.5 mile Atlas Junction - Carthage Northwest 69 kV line from 4/0 ACSR to 336 ACSR.
Network Upgrade Owner: Empire District Electric Company
MOPC Representative: Bary Warren
TWG Representative: Sam McGarrah
Reason For Change: Modify timing. 2009 STEP identified new RTO Determined Need Date. The previous RTO Determined Need Date was 6/1/2018.
Categorization: Regional reliability
Network Upgrade Specification: Upgrade the line to emergency rating 65 MVA.
Network Upgrade Justification: To address the overload of Substation 108 Carthage Northwest - Substation 109 Atlas Jct. 69 kV for the loss of Substation 110 Oronogo Junction - Substation 436 Webb City Cardinal 69 kV.

Need Date for Network Upgrade: 6/1/2017
Estimated Cost for Network Upgrade (current day dollars): $1,277,935
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: EDE

Previous NTC number: 20036
Previous NTC Issue Date: 1/27/2009
Project ID: 440
Project Name: Line - Diamond Junction - Sarcoxie SW 69 kV
Need Date for Project: 6/1/2017
Estimated Cost for Project: $2,274,000

Network Upgrade ID: 10571
Network Upgrade Description: Reconductor 7.55 mile Diamond Junction - Sarcoxie Southwest 69 kV line from 1/0 Cu to 336 ACSR.
Network Upgrade Owner: Empire District Electric Company
MOPC Representative: Bary Warren
TWG Representative: Sam McGarrah
Reason For Change: Modify timing. 2009 STEP identified new RTO Determined Need Date. The previous RTO Determined Need Date was 6/1/2009.
Categorization: Regional reliability
Network Upgrade Specification: Upgrade the line to emergency rating 65 MVA.
Network Upgrade Justification: To address the overload of Substation 131 Diamond Junction - Substation 362 Sarcoxie Southwest 69 kV for the loss of the Monett 161/69 kV transformer.
Need Date for Network Upgrade: 6/1/2017
Estimated Cost for Network Upgrade (current day dollars): $2,274,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: SPP

Previous NTC number: 20036
Previous NTC Issue Date: 1/27/2009
Project ID: 537
Project Name: Multi - Sub 383 Monett - Monett 5 161 kV
Need Date for Project: 6/1/2019
Estimated Cost for Project: $15,369,319

Network Upgrade ID: 10685
Network Upgrade Description: Build new 9.2 mile 161 kV line from Substation 383 Monett to new Monett 5 bus.
Network Upgrade Owner: Empire District Electric Company
MOPC Representative: Bary Warren
TWG Representative: Sam McGarrah
Reason For Change: Modify timing. 2009 STEP identified new RTO Determined Need Date. The previous RTO Determined Need Date was 6/1/2015.
Categorization: Regional reliability
Network Upgrade Specification: Build the line to emergency rating 68 MVA.
Network Upgrade Justification: To address the overload of Substation 383 – Monett 161/69 kV transformer for the loss of Substation 124 Aurora - Substation 383 Monett HT 161 kV.
Need Date for Network Upgrade: 6/1/2019
Estimated Cost for Network Upgrade (current day dollars): $7,369,319
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: EDE

Network Upgrade ID: 10686
Network Upgrade Description: Install 3-winding transformer connecting new Monett 5 161 kV bus to Monett City South 69 kV.
Network Upgrade Owner: Empire District Electric Company
MOPC Representative: Bary Warren
TWG Representative: Sam McGarrah
Reason For Change: Modify timing. 2009 STEP identified new RTO Determined Need Date. The previous RTO Determined Need Date was 6/1/2015.
Categorization: Regional reliability
Network Upgrade Specification: Install the transformer for emergency rating 100 MVA.
Network Upgrade Justification: To address the overload of Substation 383 – Monett 161/69 kV transformer for the loss of Substation 124 Aurora - Substation 383 Monett HT 161 kV.
Need Date for Network Upgrade: 6/1/2019
Estimated Cost for Network Upgrade (current day dollars): $8,000,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: EDE

Previous NTC number: 20036
Previous NTC Issue Date: 1/27/2009
Project ID: 638
Project Name: Line - Sub 170 Nichols - Sub 80 Sedalia 69 kV
Need Date for Project: 6/1/2010
Estimated Cost for Project: $3,520,000

Network Upgrade ID: 10839
Network Upgrade Description: Reconductor 8.92 mile Nichols - Sedalia 69 kV with 556 ACSR and upgrade CTs.
Network Upgrade Owner: Empire District Electric Company
MOPC Representative: Bary Warren
TWG Representative: Sam McGarrah
Reason For Change: Modify timing. 2009 STEP identified new RTO Determined Need Date. The previous RTO Determined Need Date was 6/1/2012.
Categorization: Regional reliability
Network Upgrade Specification: Upgrade the line to emergency rating 65 MVA.
Network Upgrade Justification: To address the overload of Nichols - Sedalia 69 kV for the loss of Dadeville - East Bolivar 161 kV.
Need Date for Network Upgrade: 6/1/2010
Estimated Cost for Network Upgrade (current day dollars): $3,520,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: EDE

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 OATT, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

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

Notification of Commercial Operation
Please submit a notification of commercial operation for each listed Network Upgrade to SPP 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.

Notification of Progress
On an ongoing basis, please keep SPP advised of any inability on Empire District Electric Company’s part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires Empire District 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 Sections 20.1 and 32.10 of the SPP OATT, Empire District Electric Company

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Company shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this NTC shall vary such terms and conditions.

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

Sincerely,

Bruce Rew
Vice President, Engineering
Phone (501) 614-3214 • Fax: (501) 821-3198 • BRew@spp.org

cc: Carl Monroe, Les Dilahunty, Pat Bourne, Jay Caspary, Keith Tynes, John Mills, SPPprojecttracking@spp.org, Bary Warren, Richard McCord