

SPP Notification to Construct

May 7, 2010

SPP-NTC-20094

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

RE: Notification to Construct Approved Reliability Network Upgrades

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 Upgrade(s).

On April 27, 2010, the Southwest Power Pool (“SPP”) Board of Directors approved the Network Upgrade(s) listed below to be constructed.

New Network Upgrades

Project ID: 489

Project Name: Line - Huntsville - St. John 115 kV Rebuild

Need Date for Project: 6/1/2014

Estimated Cost for Project: \$5,250,000

Network Upgrade ID: 10633

Network Upgrade Description: Rebuild 26.55 mile Huntsville - St. John 115 kV line and replace CT, wave trap, breakers, and relays.

Network Upgrade Owner: Midwest Energy, Inc.

MOPC Representative: Bill Dowling

TWG Representative: Nathan McNeil

Categorization: Regional reliability

Network Upgrade Specification: Upgrade the line to emergency rating 199 MVA.

Network Upgrade Justification: To address the overload of Huntsville - St. John 115 kV for the loss of Circle - Mullergren 230 kV or Clearwater - Milan Tap - Harper 115 kV.

Need Date for Network Upgrade: 6/1/2014

Estimated Cost for Network Upgrade (current day dollars): \$5,250,000

Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: MIDW

Upgrades with Modifications

Previous NTC number: 20032
Previous NTC Issue Date: 1/27/2009
Project ID: 697
Project Name: Line - Hutchinson Energy Center - Huntsville 115 kV
Need Date for Project: 6/1/2013
Estimated Cost for Project: \$6,250,000

Network Upgrade ID: 10914
Network Upgrade Description: Rebuild 21.1 mile HEC - Huntsville 115 kV line and replace CT, wave trap and relays.
Network Upgrade Owner: Midwest Energy, Inc.
MOPC Representative: Bill Dowling
TWG Representative: Nathan McNeil
Reason For Change: Modify timing. 2009 STEP identified a new RTO Determined Need Date of 6/1/2013. The previous RTO Determined Need Date was 6/1/2015.
Categorization: Regional reliability
Network Upgrade Specification: Upgrade the line to emergency rating 194 MVA.
Network Upgrade Justification: To address the overload of Hutchinson Energy Center - Huntsville 115 kV for the loss of Circle - Mullergren 230 kV or Clearwater - Milan Tap - Harper 115 kV.
Need Date for Network Upgrade: 6/1/2013
Estimated Cost for Network Upgrade (current day dollars): \$6,250,000
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: MIDW

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 Midwest Energy, Inc.'s part to complete the approved Network Upgrade(s). For project tracking purposes, 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. Midwest Energy, Inc. 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,

A handwritten signature in black ink that reads "Bruce A. Rew".

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

cc: Carl Monroe, Les Dillahunty, Pat Bourne, Jay Caspary, Keith Tynes, Steve Purdy,
SPPprojecttracking@spp.org, Nathan McNeil, Earnie Lehman