

SPP-NTC-20126

SPP
Notification to Construct

February 14, 2011

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 VI, 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 January 25, 2011, the Southwest Power Pool (“SPP”) Board of Directors approved the Network Upgrade(s) listed below to be constructed.

New Network Upgrades

Project ID: 997

Project Name: XFR – Colby 69/34.5 kV transformer Ckt 3

Need Date for Project: 6/1/2011

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

Network Upgrade ID: 11311

Network Upgrade Description: Replace the Colby 69/34.5 kV transformer with a larger unit.

Network Upgrade Owner: Midwest Energy, Inc.

MOPC Representative: Bill Dowling

TWG Representative: Nathan McNeil

Categorization: Regional reliability

Network Upgrade Specification: Upgrade transformer to 28 MVA emergency rating.

Network Upgrade Justification: To address overload of Colby 69/34.5 kV transformer Ckt 3 for the loss of Colby 115/34.5 kV transformer Ckt 2.

Need Date for Network Upgrade: 6/1/2011

Estimated Cost for Network Upgrade (current day dollars): \$2,000,000

Cost Allocation of the Network Upgrade: Base Plan

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Estimated Cost Source: SPP

Withdrawal of Upgrades

Previous NTC number: 20094

Previous NTC issue Date: 5/7/2010

Project ID: 489

Project Name: Line – Huntsville - St. John 115 kV Ckt 1 Rebuild

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.

Reason For Change: With the 2010 STEP model's circuit configuration and load forecast the upgrade is no longer required.

Previous NTC number: 20094, 20032

Previous NTC issue Date: 5/7/2010

Project ID: 697

Project Name: Line – Hutchinson Energy Center - Huntsville 115 kV Ckt 1

Network Upgrade ID: 10914

Network Upgrade Description: Rebuild 21.1-mile HEC - Huntsville 115 kV line and replace CT, wave trap, and relays.

Reason For Change: With the 2010 STEP model's circuit configuration and load forecast the upgrade is no longer required.

Withdrawal of Network Upgrade

Midwest Energy, Inc. has been made aware of all Network Upgrades withdrawn through the expansion plan process. This letter is the formal notification to stop any further work on this Network Upgrade(s), collect any cost associated with the Network Upgrade(s), and provide this information to SPP within 90 days of the date of this NTC.

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this NTC, pursuant to Attachment O, Section VI.6 of the SPP OATT, 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.

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Mitigation Plan

The Need Date represents the timing required for the Network Upgrade(s) to address the identified need. Your prompt attention is required in the formulation and approval of any necessary mitigation plans for the Network Upgrade(s) included in 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.

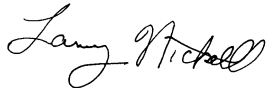
Notification of Progress

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. However, 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 "Lanny Nickell".

Lanny Nickell
Vice President, Engineering
Phone (501) 614-3232 • Fax: (501) 821-3198 • lnickell@spp.org

cc: Carl Monroe, Katherine Prewitt, Nathan McNeil, Ernie Lehman