

SPP-NTC-200210

**SPP
Notification to Construct**

February 19, 2013

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. ("MIDW"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

On January 29, 2013, the SPP Board of Directors approved the Network Upgrade(s) listed below to be constructed.

New Network Upgrades

Project ID: 30426

Project Name: Line - Pheasant Run - Seguin 115 kV Ckt 1

Need Date for Project: 6/1/2014

Estimated Cost for Project: \$10,794,325

Network Upgrade ID: 50519

Network Upgrade Name: Pheasant Run - Seguin 115 kV Ckt 1

Network Upgrade Description: Build new 19.3-mile 115 kV line from Pheasant Run to Seguin and install necessary terminal equipment at Pheasant Run and Seguin substations.

Network Upgrade Owner: MIDW

MOPC Representative(s): Bill Dowling

TWG Representative: Nathan McNeil

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 199 MVA.

Network Upgrade Justification: To address low voltages at Colby 115 kV, Seguin 115 kV, Seguin Tap 115 kV, and Hoxie 115 kV for the outage of Colby - Mingo 115 kV Ckt

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1. Also to address low voltage at Pheasant Run 115 kV for the outage of Mingo - Pheasant Run 115 kV Ckt 1.

Estimated Cost for Network Upgrade (current day dollars): \$10,794,325

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: MIDW

Date of Estimated Cost: 11/16/2012

Project ID: 30494

Project Name: Line - Hays Plant - South Hays 115 kV Ckt 1 Rebuild

Need Date for Project: 6/1/2013

Estimated Cost for Project: \$4,734,006

Network Upgrade ID: 50606

Network Upgrade Name: Hays Plant - South Hays 115 kV Ckt 1 #2

Network Upgrade Description: Rebuild 3.25-mile 115 kV line from Hays Plant to South Hays.

Network Upgrade Owner: MIDW

MOPC Representative(s): Bill Dowling

TWG Representative: Nathan McNeil

Categorization: Regional reliability

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 199 MVA.

Network Upgrade Justification: To address the overload of Hays Plant - South Hays for the outage of Knoll 230/115 kV transformer Ckt 1.

Estimated Cost for Network Upgrade (current day dollars): \$4,734,006

Cost Allocation of the Network Upgrade: Base Plan

Estimated Cost Source: MIDW

Date of Estimated Cost: 4/9/2012

Commitment to Construct

Within 90 days of this NTC, please provide to SPP a written commitment to construct the Network Upgrade(s) pursuant to Attachment O, Section VI.6 of the SPP OATT, a construction schedule for the Network Upgrade(s), and the NTC Project Estimate, which is the updated $\pm 20\%$ cost estimate for the Network Upgrade(s) in the Standardized Cost Estimate Reporting Template. 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.

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) included in the Network Upgrade(s) if the Need

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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.

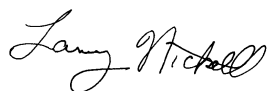
Notification of Progress

Please continue to keep SPP advised of any inability on MIDW's part to complete the approved Network Upgrade(s). For project tracking, SPP requires MIDW to submit quarterly status updates of the Network Upgrade(s) in conjunction with the SPP Board of Directors meetings. However, MIDW 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) 482-2022 • lnickell@spp.org

cc: Carl Monroe - SPP
Katherine Prewitt - SPP
Nathan McNeil - MIDW
Ernie Lehman - MIDW