

SPP Notification to Construct

February 8, 2010

SPP-NTC-20078

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

New Network Upgrades

Project ID: 30190

Project Name: Device - Pawnee 115 kV

Need Date for Project: 6/1/2011

Estimated Cost for Project: \$300,000

Network Upgrade ID: 50197

Network Upgrade Description: Install 5 Mvar capacitor bank at Pawnee 115 kV.

Network Upgrade Owner: Midwest Energy, Inc.

MOPC Representative: Bill Dowling

TWG Representative: Nathan McNeil

Categorization: Regional reliability

Network Upgrade Specification: Install capacitor of size 5 MVar.

Network Upgrade Justification: To address low voltage at Pawnee 115 kV, Kinsley 115 kV, and Edwards 115 kV for the loss of Great Bend Tap - Seward 115 kV, Great Bend Tap - Mullergren 115 kV, or Seward - Saint John 115 kV.

Need Date for Network Upgrade: 6/1/2011

Estimated Cost for Network Upgrade (current day dollars): \$300,000

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: 30176

Project Name: Device - Kinsley 115 kV Capacitor

Need Date for Project: 6/1/2011

Estimated Cost for Project: \$300,000

Network Upgrade ID: 50184

Network Upgrade Description: Install 5 Mvar capacitor at Kinsley 115 kV.

Network Upgrade Owner: Midwest Energy, Inc.

MOPC Representative: Bill Dowling

TWG Representative: Nathan McNeil

Reason For Change: The capacitor at Kinsley was reduced from 10 Mvar to 5 Mvar, and a new 5 Mar capacitor is being installed at Pawnee substation under PID 30190, UID 50197.

Categorization: Regional reliability

Network Upgrade Specification: Install capacitor of size 5 Mvar.

Network Upgrade Justification: To address low voltage at Pawnee 115 kV, Kinsley 115 kV, and Edwards 115 kV for system-intact conditions and low voltage at Edwards 115 kV, Kinsley 115 kV, Pawnee 115 kV, and Pawnee - Edwards Jct 115 kV during outage of Great Bend Tap - Seward 115 kV, Great Bend Tap - Mullergren 115 kV or Seward - Saint John 115 kV.

Need Date for Network Upgrade: 6/1/2011

Estimated Cost for Network Upgrade (current day dollars): \$300,000

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. However, consistent with Sections 20.1 and 32.10 of the SPP OATT, 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 Dilahunty, Pat Bourne, Jay Caspary, Keith Tynes, John Mills,
SPPprojecttracking@spp.org, Nathan McNeil, Ernie Lehman