



March 14, 2013

Mr. Bill Bussey
Senior Vice President – Risk Management
Stephens Insurance, LLC
111 Center Street
Little Rock, AR 72201-4402

Re: Southwest Power Pool
Professional and Excess Liability Insurance

Dear Sir:

We have reviewed the information provided by your office regarding Southwest Power Pool's proposed contractual arrangement involving balancing authority responsibilities. AEGIS would support Southwest Power Pool as an excess and professional liability insurer if these responsibilities were part of their tariff in which their liabilities were subject to a gross negligence standard. Further, the insurance would not apply regarding the assumption of liability of others involving this responsibility.

If you have any questions, please contact me.

Regards,

A handwritten signature in blue ink that reads "Brian Madden".

Brian Madden
Vice President

Aegis Insurance Services Inc.
1 Meadowlands Plaza
East Rutherford, NJ 07073

Tel: 201-508-2808
Fax: 201-508-1333
Email: brianmadden@aegislimited.com