

SPP-NTC-200286

SPP
Notification to Construct

May 19, 2014

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

RE: Notification to Construct Approved High Priority 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 April 29, 2014, the SPP Board of Directors approved the High Priority Incremental Load Study ("HPILS"). The Network Upgrade(s) listed below were included in Appendix C of the HPILS report and are to be constructed.

New Network Upgrades

Project ID: 30771

Project Name: Multi - Midwest Pump - Midwest Pump Tap 115 kV Ckt 1

Need Date for Project: 6/1/2015

Estimated Cost for Project: \$7,168,048

Network Upgrade ID: 51048

Network Upgrade Name: Midwest Pump Tap 115 kV Substation

Network Upgrade Description: Tap existing 115 kV line from Kanarado (Sunflower) to Sharon Springs to construct new Midwest Pump Tap substation.

Network Upgrade Owner: MIDW

MOPC Representative(s): Bill Dowling

TWG Representative: Nathan McNeil

Categorization: High priority

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 239 MVA.

Network Upgrade Justification: To address needs identified in the HPILS.

SPP-NTC-200286

Estimated Cost for Network Upgrade (current day dollars): \$4,459,050
Cost Allocation of the Network Upgrade: Base Plan
Estimated Cost Source: MIDW
Date of Estimated Cost: 3/24/2014

Network Upgrade ID: 51049
Network Upgrade Name: Midwest Pump - Midwest Pump Tap 115 kV Ckt 1
Network Upgrade Description: Build new 5-mile 115 kV line from Midwest Pump to the new Midwest Pump Tap substation.
Network Upgrade Owner: MIDW
MOPC Representative(s): Bill Dowling
TWG Representative: Nathan McNeil
Categorization: High priority
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 199 MVA.
Network Upgrade Justification: To address needs identified in the HPILS.
Estimated Cost for Network Upgrade (current day dollars): \$2,708,998
Cost Allocation of the Network Upgrade: Directly Assigned
Estimated Cost Source: MIDW
Date of Estimated Cost: 5/13/2014

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 and an updated $\pm 20\%$ cost estimate, NTC Project Estimate, in the Standardized Cost Estimate Reporting Template 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.

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 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

SPP-NTC-200286

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 MIDW's part to complete the approved Network Upgrade(s). For project tracking, SPP requires MIDW to submit status updates of the Network Upgrade(s) quarterly 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